

THE TIMES Tomorrow

Ailing alliance
James R. Schlesinger continues our series on Nato by analysing the strains that are undermining its unity.

New wave
What the well-dressed surfer is wearing. Suzy Menkes looks at the latest in men's beachwear.



Joining the pack
David Hands reports on the players selected for the English rugby tour of South Africa.

Science friction
Computer Horizons looks at the clash over high-tech between Europe and the United States.

Mugabe scorns bishops

Mr Robert Mugabe, Zimbabwe's Prime Minister, denounced Catholic bishops as agents of Mr Joshua Nkomo's party and said allegations of brutality in Matabeleland were fantastic. Mr Nkomo arrived in London yesterday but was reluctant to comment. **Page 5**

Pubs and shops reform sought

Conservative MPs are confident of overcoming hostility to reforms of English licensing hours and Sunday trading laws. **Page 2**

Hart just wins

Senator Gary Hart won an unconvincingly narrow victory in the Arizona primary for the Democratic presidential nomination, with the front-runner Mr Walter Mondale delighted to be a close second. **Page 6**

School report

Public school education has ceased to be a ticket to privilege, a springboard to a better job and a way into the ruling class, two authors say. **Page 3**

Rescue talks

Private talks start in Washington today in an attempt to heal a rift between the United States and Japan which threatens to block new finance for the World Bank. **Page 19**

Base captured

Vietnam-led forces captured the major military base of one of the Khmer rebel groups and shot down a Thai spy plane. Earlier report, **page 4**

Holiday rush

A 12 per cent increase in Easter package tour business and heavy bookings for the summer, may herald a hectic last-minute scramble for holidays. **Page 3**

Reagan defiant

President Reagan defended his decision to bypass Congress and order emergency aid to El Salvador. **Page 6**

Badminton joy

Lucinda Green, partnering the semi-retired veteran Beagle Bay, completed a record sixth victory at the three-day Badminton Horse Trials yesterday. **Page 24**

Letters: On the Metropolitan County Councils from Mr John Taylor, MP and others; the Merchant Navy, from Admiral Sir Anthony Griffin; on our heritage from Lord Landsdowne.

Leading articles: Finance ministers: New Ireland Forum; Hongkong.

Features: **pages 8, 9, 12**
Closing the net against Soviet spies: why the Punjab remains in ferment; Anne Soler on education's first direct elections; Spectrum: getting it wrong on Iran. **Monday Page:** would-be White House wives.

Obituaries: **page 14**
Sir William Empson, Mr T. A. Brocklebank, Richard Hurdall. **Home ownership, pages 15-17**
A special report on the biggest purchase in the lives of most people.

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Troops may move strikebound coal, says MacGregor

By Paul Routledge and Anthony Bevins

Troops could be used to move coal into fuel-starved power stations if the miners stage an all-out strike lasting several months, the National Coal Board chairman, Mr Ian MacGregor, indicated yesterday.

Asked on the Independent Television programme *It's a Wonderful World* whether servicemen would be brought in to move coal stocked at strikebound pits, he said: "That will not be my prerogative. It is clearly a matter of government policy."

He added: "I would think it makes sense to make use of all the stocks that are available. Governments at times are faced with making decisions about the greatest good for the greatest number in situations where a small minority are dominating that majority."

Government sources were last night adamant that the use of troops was not in prospect.

Mr MacGregor's statement came as wide differences emerged about the scale of stocks at power stations. Industry sources estimated that they stand at 16 million tonnes, or about 16 weeks' supply at present rates of consumption and electricity demand.

The sources said that there were a further 20 million tonnes stockpiled at the pits, largely immobilized by the "rolling strike" over colliery closures which today enters its sixth week.

But government sources said last night that at present

consumption rates power stations had enough coal to keep them going until October 21. The precise calculation of 27 weeks' supplies underlines the relaxed attitude of ministers towards the prospect of a long dispute.

But it also produces a further point of conflict with the miners, who have been arguing that old coal stocks lose combustibility and that there is mounting pressure on ministers to move "fresh" coal from the pithead stocks to the power stations.

Miners' leaders, who are now confident of winning support for a rule change which will make it easier for them to mount an all-out, national strike, reacted sharply yesterday to the hint of possible troop intervention.

Mr Peter Heathfield, general secretary of the National Union of Mineworkers, said: "It would

be a further element in the battle for the miners' minds was entered yesterday by Mr MacGregor. He insisted that if there was a long strike more pits would close than under his slimdown plan for the industry, and compulsory redundancies would be introduced."

He maintained that there would be no change in the board's ultimate objectives of reducing output by 4 million tonnes a year, which will involve the loss of about 20 pits and 20,000 jobs, not even if

result in a hardening of attitudes. Any outside interference is seen by miners as an intrusion into their civil liberties and if the Government wants to use troops then the miners - who have got some interest in history - will take note."

Recalling the general strike of 1926 and previous stoppages in coalmining where troops were used, he went on: "The lads will know what is happening to them."

Mr MacGregor was careful, however, to argue that before such a step was taken the Central Electricity Generating Board would maximize its other fuel options, particularly by increasing the oil burn. This is already happening. The Times understands. Oil-consuming generating sets are being worked up to maximum output and nuclear power stations are being run to the full limit of their two-year maintenance periods.

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Mr MacGregor: 'Sense to use all stocks.'

Evans and Basnett speak out

All unions 'will back miners'

From David Felton, Labour Correspondent, Aberdeen

The trade union movement will mobilize in support of the miners' fight over pit closures, leaders of two of the biggest unions pledged last night.

The promise of support for the National Union of Mineworkers was given on the eve of the "Scottish TUC" annual congress in Aberdeen. Delegates expect an emergency debate on the coalfields dispute which will swing the support of Scotland's one million trade unionists behind the miners.

Statements backing the miners came from Mr Moss Evans, general secretary of the Transport and General Workers' Union, Britain's largest, and Mr David Basnett, leader of the General Municipal, Boilermakers and Allied Trades Union, the third largest.

Mr Basnett appealed last night to Mr Arthur Scargill to approach the TUC and describe what help the movement could give him.

Mr Basnett said: "The situ-

ation is extremely dangerous and nobody would dare predict what is going to happen in the end."

His view differed in tone from that of Mr Evans, who argued that the miners' union itself would wish to run the dispute, but it was up to other unions to give whatever backing was required.

He said the union movement would make sure that sufficient financial support was available so that "families of miners are not starved into submission."

Both union leaders argued that if the pit strike deepened into a serious confrontation, it would be a confrontation of the Government's making.

An emergency motion for the conference was being drafted last night by Scottish miners. It is understood that it may contain calls from the miners for other unions to give supporting action, including taking industrial action.

Such a motion would be a

departure in the dispute by the miners' union, which has previously told the British TUC that it did not want any assistance.

The emergency motion will probably also call on unions to give moral and financial support.

The emergency debate is expected to be held before Thursday's special delegate conference of the miners' union so that delegates to that meeting can be told of the support from Scotland.

Mr Evans described Mr Ian MacGregor, the National Coal Board chairman, as a hatchet man who had deliberately been brought into the coal industry to slit it down, as he had been responsible for doing at BL and the British Steel Corporation.

Mr Basnett said he was sure unions would agree to back the miners and laid the blame for the dispute at the door of the Government.

Israel may hit PLO inside Syria

From Christopher Walker, Jerusalem

Israel has blamed Syria for the recent wave of Palestinian guerrilla attacks inside Israel, leading to mounting speculation that reprisal raids against Palestinian bases in Syrian territory may now be under consideration.

Secretary surrounded details of a meeting between Mr Yitzhak Shamir, the Prime Minister, Mr Moshe Arens, the Defence Minister, and General Moshe Levy, the Chief of Staff, which preceded yesterday's session of the Cabinet. At the Cabinet meeting last week's storming of a hijacked civilian bus in the Gaza Strip was the main topic.

Despite the information blackout, it is believed that the three senior members of the defence establishment reviewed ways in which Israel can hit back against the fringe Palestinian groups operating under Syrian patronage which are considered responsible for the recent wave of attacks - the most serious seen in Israel since the 1970s.

In an interview with the Tel Aviv paper *Davar*, Mr Shamir remarked ominously that the recent Soviet warning against any Israeli attack on Syria referred only to a possible attack against Syria proper and not against Syrian forces now stationed in large numbers in Lebanon.

Even before the bus hijacking, there had been criticism in Israel at what was seen as an insufficient response to the April 2 gun battle in central Jerusalem in which nearly 50 Jews were injured. The Government's only retaliation was a bombing raid on a deserted hotel in the Lebanese town of Bhamdoun which had previously served as a base for the Democratic Front for the Liberation of Palestine.

Continued on back page, col 5

Civil liberties group bans National Front

By David Walker, Social Policy Correspondent

The National Council for Civil Liberties decided yesterday it would no longer recognize the civil rights of members of the National Front and other "racist" or "fascist" organizations. Official were instructed to withhold legal and other advice from a list of proscribed organizations.

The decision, taken at the council's annual meeting, was a victory for left-wingers and a setback for Mr Larry Gostin, the organization's new general secretary, who has tried to uncouple it from too close an identification with socialist politics.

Mr Jacob Eccleston, an executive member, said the decision affirmed that "the NCCL's natural constituency is among the oppressed, trade unions, women, gays, black people."

But the move may cause deeper misgivings among members. Miss Patricia Hewitt, formerly



Mr Wu Xueqian, Chinese Foreign Secretary, greeting Sir Geoffrey Howe in Peking when he arrived for a three-day visit. Report, **page 4**; leading article, **page 13**.

Monetarist's way of spending could save £43bn a year

By Sarah Hogg, Economics Editor

Public expenditure could be cut by about £43bn a year by 1990, if the Government restricted itself to its essential tasks, according to an analysis published today by Professor Patrick Minford of Liverpool University.

Professor Minford is a well-known monetarist occasionally consulted by the Prime Minister and his predecessors. He is also a member of the Treasury's Economic Committee. He is already under fire from his right wing for publicly endorsing the view that it is impossible to make further cuts in public expenditure.

Professor Minford says that the "waste" involved in public production and public purchasing should be reduced by:

- Replacing the National Health Service by compulsory health insurance (subsidized by the state to begin with) designed to cover the bills charged by private medical services.
- "Privatizing" the education system.
- Abolishing most of the direct subsidies to industry, employment and agriculture, and selling off most nationalized industries.
- Gradually transferring pension provision from public to private schemes.
- Eliminating housing subsidies (matched by the abolition of mortgage tax relief).
- Increasing efficiency in other areas, such as defence.

The money saved, Professor Minford says, should be used

to double income tax thresholds, taking seven and a half million single people and married couples out of the tax net. His proposals would more than treble child benefit, to about £22 a week, and abolish employees' national insurance contributions. He also supports the introduction of a "negative" income tax, which would pay cash benefits to anyone earning less than £110 a week, and guarantee a minimum subsistence income to all those in work. However, Professor Minford argues for a reduction of about 15 per cent in benefits paid to the unemployed.

He says that such a package of tax cuts, reductions of "wasteful" public spending and greater work incentives would raise national output 10 per cent and reduce unemployment by two and a half million by 1990. Further reductions in spending, he argues, would be possible over the next 20 years.

To replace free social services, Professor Minford says that compulsory health and pensions insurance would cost a married couple £7 a week. A couple with three children, who would also be obliged to pay school fees, would according to his calculations be paying out an average of £53 a week. But they would be receiving £66 a week in child benefit, plus "negative" income tax, if they were earning less than £110 a week.

State Expenditure: A Study in Waste, by Patrick Minford, 4. Longman, £14 annual subscription. Spending battle, **page 19**

Syria urges parallel role for Russia in Mideast

From Robert Fisk, Damascus

As Syria reinforced its military positions along its frontier with Lebanon in case of a surprise Israeli attack over the weekend, Abdul Halim Khaddam, one of three Syrian vice-presidents, said in an interview with *The Times* that the Soviet Union should have a parallel role to the Americans in the Middle East because the US was giving military and economic assistance to Israel that enabled it to "commit acts of aggression against other countries."

Speaking in the Syrian capital of Damascus, Mr Khaddam said that the Russians "take the side of the victim of aggression and extend the necessary help to the victim to repel aggression." The bigger America's role in the region became, he went on, the bigger should Moscow's role be.

Thousands of Syrian troops who are armed exclusively with Soviet weapons have dug new tank and artillery rearmaments in the Lebanese Bekaa valley and inside the Syrian border after reports that Israel had increased its own military preparedness with reserve call-ups.

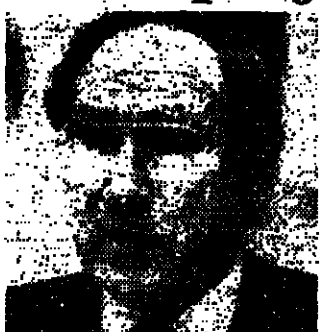
Interview, **page 6**

US torpedoes project for Nato frigate

From Frederick Bonnard, Brussels

Hopes of collaboration in the manufacture of armaments between the United States and Europe have received a resounding blow which puts in doubt the future of joint undertakings. The US appears to be backing out of the Nato project for building a common frigate.

Accusing the US of "treachery and duplicity", European officials at Nato told *The Times* that, at last week's meeting of national armaments directors, Mr Richard Delaur, US Under Secretary of Defence for research and development, presented his colleagues with two pages of additional conditions to a previously agreed - but not yet signed - Memorandum of Understanding which completely invalidated it.



Mr Delaur: presented a new set of conditions.

and of understanding which completely invalidated it. Almost since Nato's inception, member countries have been trying to rationalize and standardize equipment to counterbalance the Warsaw

Pact's advantage of a centralized single manufacturing source, the Soviet Union. For instance, the three to one disparity in tanks in their favour largely due to their much lower unit cost. Nearly all Nato nations produce their own tanks. The search in Nato for common projects on which cooperation is possible has been continuous and intense.

The Nato frigate replacement project for the 1990s (NFR 90) has been, up to now, a great success story. It proposed a unified design where a single common hull would be able to accommodate main components such as engines, weapon systems and command and control installations in a modular form. This would allow for considerable economies and much

industrial participation by all member nations.

A Nato funded study began as early as February, 1981, involving some 90 companies and more than 150 engineers and managers, and produced a positive report in October, 1982. Negotiations for a Memorandum of Understanding to provide the first legal basis for the project have been going on ever since.

This document was due to be signed at last week's meeting in Brussels and Nato published a statement on the previous Friday, April 6, saying that the eight nations concerned - Britain, Canada, France, Germany, Italy, Netherlands, Spain, and the US - had in fact signed it. Mr Robin Board, chief of the Nato defence

Continued on back page, col 4

Heseltine backs US in face of protests

By Anthony Bevins, Political Correspondent

Mr Michael Heseltine, Secretary of State for Defence, yesterday delivered a pre-emptive strike against CND Easter demonstrations with a statement of appreciation for the American contribution to United Kingdom defence.

He said in a press statement: "I see in Europe a range of free nations recognizing that the defence of one is the defence of all."

In a weekend of anti-nuclear protests outside American bases, Mr Heseltine said: "The vast majority of the British people are clearly committed to the principles of Nato. The activities of a small minority will not affect the resolve of governments on both sides of the Atlantic to continue with policies which have preserved the peace for so long."

The Nato partnership was based on genuine friendship, Mr Heseltine said. But in the Warsaw Pact countries there could be no doubt about the attitude of people to the presence of 565,000 Russian servicemen and 10,000 Russian tanks.

When American forces had left Britain in 1946, the criticism was not that they had come but that it had taken time to persuade them to join the war against Hitler.

They were back within two years, because of the Berlin crisis, and they had stayed "because a Labour government under Clement Attlee believed the defence of this country and our European allies depended upon our never hesitating to persuade the Americans again to come out of isolation."

Thousands of people took part in weekend rallies at the start of an Easter programme of protest organized by CND.

CND said last night that between 50,000 and 100,000 people gathered outside US bases across Britain.

Ms Joan Ruddock, who chairs CND, denied Mr Heseltine's claim that it represented only a small minority. A recent Gallup poll had shown 53 per cent opposed to cruise missiles and 77 per cent in favour.

In London, CND organized a march to the nuclear control bunker at RAF Bentley Priory, at Stanmore, and there was a torchlight vigil outside the US embassy.

A survivor of Hiroshima appealed at the main gate of Greenham Common base yesterday for action by Christians to stop a far worse nuclear holocaust, (Pat Healy writes).

Mrs Setsuko Thurlow, taking part in a Palm Sunday service, told nearly 500 Christians that the missile silos inside were a blasphemy. "We are preparing for mass murder. If what I experienced was bad - and it was like hell on Earth - what Greenham Common represents is many hundreds of thousands times worse."

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Forum still split over Fianna Fail demand for single Irish state

From Richard Ford, Belfast

Party leaders in the New Ireland Forum met today to try to resolve divisions over whether its final report should urge only a united single Irish state as a solution to the problem of Northern Ireland.

Unless agreement is reached between Fianna Fail's demand for a single Irish state and the wishes of the other parties, the 11-month exercise could collapse with the possibility of majority and minority reports being published next month.

The consequences of that would reduce pressure on the British Government to react positively and would seriously harm the Social Democratic and Labour Party's electoral battle with Provisional Sinn Féin, political wing of the Provisional IRA in Northern Ireland.

At the weekend the Deputy Prime Minister of the Irish Republic, Mr Dick Spring, and the Minister for Foreign Affairs, Mr Peter Barry, made speeches which appeared to be preparing the ground for a less than united approach from constitutional nationalists over the way forward.

Mr Spring, leader of the Labour Party, said that Britain had to react "selflessly" to the forum, no matter what it contained. There could be no room for distortion or attempts to pick and choose elements it found attractive while leaving those which were unpalatable, he said.

Mr Barry said that even if the forum did not succeed in its objective, the Irish Government was determined that the "nightmare of the northern minority will end and that it will end now".

The divisions now being highlighted have been inherent since the forum began, because Dr Garret FitzGerald, the Irish Prime Minister, and Mr Charles Haughey, the leader of the Opposition, have fundamentally different approaches to the crisis in Northern Ireland.

Although they are still committed publicly to achieving a united approach which Mr John Hume, leader of the SDLP, believes would command attention in Britain, successive delays are seen to be damaging the forum's credibility in Britain.

It is expected, whatever the outcome of today's discussions, that the date of the publication of the forum's final report will be announced for early next month.

The main problem still to be resolved after an unprecedented four meetings by the party leaders last week is that of the recommendations to be made after an analysis of the situation in Ulster.

Mr Haughey is insisting that his party's traditional stance of a united 32-county Ireland, loudly proclaimed at Fianna Fail's recent annual conference, should be put forward unconditionally.

However, Fine Gael and most of the SDLP and the Labour Party, who accept that as an ideal solution, believe it is unrealistic in the immediate future.

Fianna Fail fears that anything less than a British withdrawal, followed by a united Ireland, will leave Provisional Sinn Féin as the only organization campaigning for such a solution.

Leading article, page 13



Trim harmony: The Crawley Chordsmen, from Sussex, winners of the 1984 chorus competition of the British Association of Barbershop Singers which held its tenth annual convention at Warwick University, near Coventry, at the weekend (Photograph: Bill Warburton).

BMA upset at doctor's dismissal

By Our Social Services Correspondent

A doctor who played a key part in preparing the British Medical Association's highly critical report on civil defence plans for nuclear war has been removed from a part-time post with the London Borough of Croydon.

Dr Stuart Horner, who is district medical officer with Croydon Health Authority, said he believed he has been removed "because the objective views I have expressed about the effectiveness of health care plans for a nuclear war were unacceptable to the council".

The Home Office, which is responsible for civil defence, had to approve the revocation of Dr Horner's appointment as medical referee to Croydon Crematorium.

Initially it said there would have to be "good cause" for him to be removed. There appeared to be nothing in regulations that required him to meet conditions Croydon was imposing on the job. Now, however, it has approved the termination of his appointment.

The BMA said yesterday it had taken up Dr Horner's case with the Home Office, "but we have not had a satisfactory response".

Both the Home Office and Croydon deny that the decision to remove Dr Horner, who made headlines last year when he said he would do no more work on his health authority's nuclear defence plans because the BMA study showed they were ineffective, has anything to do with his views. Croydon says the decision was to save money.

Drink law prime target for reform

By Anthony Bevin, Political Correspondent

Reform of Sunday trading and more liberal liquor licensing controls in England are the next two targets for senior Conservative ministers who want Mrs Thatcher's administration to be marked for its pursuit of competition.

However, it is accepted that in spite of the Prime Minister's determination to introduce reform, the strongest possible political and bureaucratic hostility will have to be overcome.

Mr John Biffen, leader of the Commons, said recently that the Government had taken or was about to take action on opticians' services, the stock market and conveyancing. He also spoke of further measures for greater competition, including trading and liquor licensing as regarded as prime candidates. The Home Office has set up a three-member committee of inquiry to report urgently on the possibilities of Sunday trading reform.

That report is expected in June and Mr David Mellor, Parliamentary Under-Secretary at the Home Office, told MPs last week: "I hope that as a result of the committee's report, a consensus will develop behind the changes that should be made".

Mrs Thatcher, whose views on "consensus" are well-known, has told colleagues that she expects action. However, the Home Office fears the political controversy which will be stirred up by legislation and it is now being said that there is far too much legislation blocking up the pipeline for the next parliamentary session: on electoral law; animal experiments; interception of communications; and a new prosecution service. One source said firmly: "Reform of the Shops Act will have to take its place in the queue".

Similar problems are faced by those who would like to see England follow the 1976 Scottish example on liquor licensing, which includes all-day opening for selected public houses.

Ministers in the Department of Trade and Industry, including Mr Norman Tebbit, Secretary of State, and Mr Norman Lamont, Minister of State, are said to endorse reform and, perhaps surprisingly, health ministers are posing no great reaction.

Mr George Younger, Secretary of State for Scotland, told the Commons on March 27 that the 1976 licensing changes had been generally welcomed and were working well. But he announced at the same time that two more surveys would be conducted to assess public and professional attitudes, with a report to ministers next year.

Home Office action has been stalled until that report is considered. Ministers and MPs who succeeded in reforming opticians' services and conveyancing, against powerful and persuasive lobbies, are determined that they will win again.

Mr Richard Ryder, one of Mrs Thatcher's former advisers and MP for Mid-Norfolk, said yesterday: "Extending competition by defending the consumer against vested interest is central to the Government's declared philosophy".

"Failure to reform Sunday trading and licensing laws during this Parliament would mean submission to vested interests, bad news for the consumer and lack of political will on the part of the Government".

Actors want cable TV guarantees

Equity, the actors' union, may block the showing on cable television of films and television programmes starring British performers, if it cannot achieve a pay deal and safeguards about the amount of British material to be shown.

Mr Peter Plowrie, the general secretary, told the union's annual meeting in London yesterday that cable TV looked likely to show only inexpensive American material, old films, and repeats.

If agreement could not be reached about curbing the use of cheap imported material, Equity would have to use its industrial muscle to ensure the work of its members was seen.

The meeting was thrown into confusion when Corin and Vanessa Redgrave put forward an amendment calling on members to occupy theatres threatened with closure by the Arts Council's new funding policy.

The union's council refused to accept the amendment, saying it had been submitted too late. The Redgraves and their supporters won two votes against that decision, and the president Mr Hugh Manning, adjourned for half an hour.

When the meeting reconvened, he moved to the next business.

Hospitals 'failing needs' of mentally ill people

By Nicholas Timmins, Social Services Correspondent

Two of London's leading teaching hospitals are failing to provide a comprehensive community service for the mentally ill according to a confidential report from the government appointed Health Advisory Service.

With government policy placing increasing emphasis on the mentally ill being treated in the community, Mr Norman Fowler, Secretary of State for Social Services, has been told that the Department of Health will have to intervene directly to improve the situation.

Community services provided by King's College Hospital and by the Bethlem and Maudsley joint hospital, which has a world-wide reputation in psychiatry, are "patchy, uneven and uncoordinated", Mr Fowler has been told.

The services are "failing to meet the needs of mentally ill people" in Camberwell, Southwark and Lambeth.

Some Health Advisory Service criticisms of King's and St Giles hospitals made more than a decade ago still stand. Day care and day hospital services for the elderly mentally ill are particularly lacking. "A comprehensive mental illness service has failed to materialize", the report says.

While many of the hospital services are outstanding, the hospitals are accused of being too inward-looking and hospital-orientated, while community need goes unmet.

Family doctors have difficulty getting access to psychiatrists at King's College Hospital. Compulsory admissions to St Giles Hospital are twice the national average, and services to the Brixton area are particularly bad.

The black community feels they are "largely inappropriate to their needs", young black people are being "inappropriately detained" under the Mental Health Act.

The report says the lack of community services for the mentally ill and rootless in Brixton is producing stress in key health and social workers.

The report acknowledges that the area has unique difficulties in producing a coordinated service. The Maudsley and King's College are under separate health authorities, Camberwell Health Authority has to cope with teaching pressures at King's, and the area covers parts of two boroughs, Southwark and Lambeth.

The report recommends that Camberwell Health Authority should commission the Bethlem and Maudsley to run a unified service throughout the district.

Murshed increases chess lead

From Harry Golombek, Chess Correspondent

Murshed retained his lead with 6 points and one adjourned game after two rounds were played over the weekend in the Young Masters International Chess Tournament at Oakham, Leicestershire. Behind him were Dlugy, Horvath and Stohl with 5½, and Georgiev with 5 and 1 adjourned.

In round 7 on Saturday, Murshed increased his lead by beating King, when his opponent blundered away a piece. However, in round 8, Murshed got into trouble against Georgiev and lost a rook for a knight. Nevertheless, when the game was adjourned, it was not clear how Georgiev would be able to use this advantage.

Results in round 8: Dlugy 6½, Horvath 5½, Stohl 5, Georgiev 5, King 4½, Murshed 4, and one adjourned game. The games between Georgiev and Murshed, and between King and Murshed, were adjourned. The games between Dlugy and King, and between Horvath and Stohl, were played to completion. The games between Dlugy and Stohl, and between Horvath and King, were also adjourned.

Parishes seek rating of farmland

By Hugh Clayton, Local Government Correspondent

The National Association of Local Councils is to ask the Government to bring farmland and farm buildings back into the rating system for the first time for 45 years.

It accepted, by a large majority, a motion from Sporthrough Parish Council, South Yorkshire, that farmers should no longer be exempt from rates because "the long-term poverty of rural parishes can only be alleviated by a proper contribution from commercial interests". The association, which represents 7,500 town, parish and community councils, also called for more effective control of aerial crop spraying.

Print union urged to drop attack on TUC

From David Felton, Labour Correspondent, Aberdeen

Leaders of the National Graphical Association were coming under intense pressure last night to drop a planned attack on the TUC's refusal to support their industrial action in the Stockport Messenger Newspaper Group dispute.

The NGA, angered by the removal of criticism of the TUC from a motion to be debated at the Scottish TUC conference this week, has circulated its own competing motion and is seeking support from left-wing unions.

But conference organizers were lobbying hard for the NGA motion to be ignored and were trying to persuade the union to fall into line behind an all-embracing motion, in the names of 13 unions and trades councils.

The motion, which will be debated at the conference in Aberdeen on Thursday, calls for the "mightiest mobilization" of the trade union movement behind previous TUC decisions to oppose the Government's employment legislation.

It says that government attacks on the unions "will not be repelled through the courts. Keeping within the law is a

High court challenge to judge's publication ban

By Frances Gibb, Legal Affairs Correspondent

The National Union of Journalists will this week challenge in the High Court a judge's ban on publication of the name of a witness related to a prominent public figure.

The ban was imposed at the Central Criminal Court in January by Judge Lymberry, QC, under the Contempt of Court Act, 1981.

The NUJ is bringing the action, with the backing of the National Council for Civil Liberties, to test the validity of the way judges are using their powers under the Act to restrict press reporting.

The challenge coincides with publication today of a dossier of recent banning orders at the Central Criminal Court, which Mr John Morris, Opposition spokesman on legal affairs, says he finds disturbing.

The dossier, which has been

Labour left faces reselection revolt

By Our Political Correspondent

Labour's national executive committee was yesterday told that the party's right wing could retaliate against the left if it fails to prevent the "mindless wrecking tactics" of candidate reselection.

The warning came from Mr David Warburton, national industrial officer of the General Municipal, Boilermakers and Allied Trades Union, in a centre-right bulletin, *Forward Labour*.

He said the "way-out left" had decided to campaign against individual MPs if reselection went forward under existing procedures.

Mr Neil Kinnoch is support-

ing a proposal that rules should be modified by this year's Labour conference to give constituency parties the option of one-member-one-vote procedures when considering reselecting MPs.

Labour MPs feel that such a change, although not mandatory, would help them to overcome the threat of dismissal as candidates and help to avoid potential left-right conflict.

Forward Labour said reselection was a "political minefield" which could be

The "way-out left" target list included three Shadow Cabinet

members: Mr Peter Shore, Mr Gerald Kaufman and Mr John Silkin, and Miss Betty Boothroyd, in West Bromwich West, and Mr Frank Field, in Birkenhead.

Tribune, the left-wing weekly, has also reported a "people's uprising" in Yorkshire which could threaten Mr William O'Brien, in Normanton, and Mr Geoffrey Leese, in Pontefract and Castleford.

Forward Labour said: "Unless the national executive acts to prevent such mindless wrecking tactics then it will hardly be surprising if others take similar action and start drawing up their list of targets".

Court seizure of funds

No hiding place for union assets

By Barrie Clement, Labour Reporter

Trade unions attempting to protect their funds from court-appointed sequestrators are being told by lawyers that there can be no escape from legislation. They are advised that the arm of the law, in this case, is not so much long, as all-embracing.

If the seizure of assets is made difficult for the courts it is within their power, in the last analysis, to send any of the union's executive and officers to prison. They could also order the bankruptcy of individuals at the top of the union.

Banks, building societies and British lawyers have all refused to cooperate in plays to spirit away assets from the grasp of the law. In any case, sequestrators can take action in other countries for the confiscation of funds.

The National Union of Journalists, which last week stepped up its campaign to defy a House of Lords' ruling that its strike involving Mr David Dimbleby's newspaper group is unlawful, has already explored ways of evading the effects of the Employment Acts of 1980 and 1982.

It was discovered that it was possible to make liquid assets safe in the alien zone, but virtually impossible to protect the union's main asset, its headquarters in Gray's Inn Road, central London.

It is understood that two banking groups outside British jurisdiction refused to become involved because of the legal controversy that would ensue.

The journalists' union was also advised that any attempt to set up a "discretionary trust" based overseas could be declared a "sham" under a sequestration ruling delivered in 1981.

A transfer of union funds to any body which denies the union's control, could be declared void. It need only be shown that there was "a serious risk" of a transfer being negotiated for any injunction to be won.

Even if a union displayed "sleight of hand" in dispersing its assets, the courts could use Section 399 of the Companies Act to wind up the union. Exclusion from such an eventuality, enshrined in an Act in 1971, was repealed in the Industrial Relations Act, 1971, and tightened in the Labour Relations Act, 1974.

In the case of the National Graphical Association and its recent battle with Mr Eddie Shah, the whole of the union's funds were sequestrated. That meant that the union's officers could have no control over those assets until the contempt was purged.

The court demanded an

apology from the association, costs, forfeiture of daily fines, payment of the sequestrators' fee, and an undertaking that the contempt would not be repeated.

In a closed session of the annual delegates' meeting of the National Union of Journalists last week, Mr John Devine, the then treasurer, said that it was impossible to make assets safe from "legal plunder".

He added: "We have been well and truly stitched up. As the law stands, trade unions are very vulnerable to attack through the courts. And not only from judges and rapacious, greedy, anti-trade union employers, but from within, from disaffected members".

Under NUJ rules, any member is entitled to complain at any attempt to transfer funds out of the hands of the union or its trustees. A member could compel the reversal of those acts, or the restitution of assets lost to the union. A complaint could also apply to have the union "wound up" in an extreme case.

Mr Devine said: "If we put the union's funds outside the control of the NEC or trustees, we go outside the union rules. If we retain any semblance of control, they become amenable to the English courts".



Back to health: Ben Hardwick, aged two, Britain's youngest liver transplant patient, leaving Addenbrooke's Hospital, Cambridge, for home in Chesham, Surrey, yesterday. He will now have to attend Addenbrooke's for weekly or fortnightly checks (David Cross writes).

Professor Roy Calne, who performed the operation in January, explained that even a slight cold could be dangerous. Yesterday Ben was reported to be fit and well, except for a slight cough.

Ben's operation was made possible by an appeal on BBC Television's *That's Life* programme for a donor.

The appeal brought a steady flow of cash from viewers touched by the plight of children.

The programme's presenter, Esther Rantzen, announced last night that about £110,000 of the £150,000 collected would be used to set up, equip and staff an intensive care room at Addenbrooke's for a year.

Psychology screening for secret services

By Peter Hennessy

The Government is to introduce psychological testing for members of the secret services in an attempt to improve the chances of uncovering British intelligence officers who might offer their services to the KGB for ideological reasons or be blackmailed into betrayal because of personality disorders.

Ministers have approved the application of psychological screening to British intelligence officials after a study of the practices used by the United States Central Intelligence Agency and National Security Agency.

The development stems from a recommendation made last year in the Security Commission report on the case of Geoffrey Prime, the former linguist at the Government Communications Headquarters (GCHQ) who was convicted in 1982 of spying for the Soviet Union.

The psychological tests could apply to 9,700 staff at GCHQ and some 1,500 each in the security service, MI5, and the secret intelligence service, MI6. They will be applied to new recruits and officers whose positive vetting is due for its five-year review.

The American system on which the tests will be modelled involves so-called "personality tests". A lengthy questionnaire is completed by the intelligence officer which is designed to reveal psychological features which could have a bearing on security reliability.

Psychological screening is intended to work in tandem with the polygraph or lie detector test, which the government is introducing for members of GCHQ, MI5 and MI6.

Deeper background investigations known as "neighbourhood inquiries" are being conducted in the cases of security and intelligence officials undergoing positive vetting. Investigating officers are going beyond the two character referees suggested by the official and interviewing neighbours and acquaintances in a position to shed light on an individual's character and personal habits.

Closing the net, page 12

Drugs charges

A man and woman have been charged over £1.5m of cocaine seized from a north London house on Friday. Walter Fraser, aged 37, and Clara McPhee, aged 25, both of Muswell Hill, London, will appear before magistrates today.

Phillips

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Paying for education 'will not buy a brighter future'

By Lucy Hodges, Education Correspondent

Parents who send their children to a public school are not necessarily buying privilege, two academics say in a book which will be published this summer. There is no evidence to suggest that their children will get better examination results or even better jobs than if they had gone to a state school.

Research shows that the kind of schools children attend have little effect on what happens to them, according to the two academics. Dr Ted Tapper, newly appointed reader in politics at Sussex University, and Dr Brian Salter, senior research fellow at Surrey University.

The two, whose article appears in *British Public Schools: Policy and Practice*, which will be published by Falmer Press in August, say that perhaps parents have more money than sense. "What parents value will differ, so what appears to be an irrational decision to some may be perfectly reasonable to them", they say.

"It must also be remembered

that they are making decisions about the schooling of their own children and as most parents want to do the best by them they may well be inclined to ignore the general picture in the belief that their circumstances are special. All they may gain is peace of mind but this alone may be worth the expense."

Their article takes issue with both the Labour and Conservative parties for perpetuating myths about independent and comprehensive schools. It says neither party has a clear understanding of educational realities and that their views are woefully inadequate.

The Labour Party, "preoccupied with the class intake of independent schools," proposes a short-term financial squeeze by removing charitable status. That would push up fees and make the schools more exclusive.

The authors say: "Even if the private schools are socially divisive, they can no longer be seen (undoubtedly to the chagrin of some parents) as training a future 'ruling class through

the inculcation of esoteric socio-cultural values. Neither is there any evidence that the private schools exercise an independent influence upon an individual's job chances."

They argue that the Conservative Party is no less misguided and say that much of its policy is based on the assumption that the academic standards of comprehensive schools are abysmally low. However, most of the evidence points to the organization of schooling having little influence in examinations.

Dr Tapper and Dr Salter reserve their strongest criticism for British social scientists who, they say, have been overwhelmingly concerned, like the Labour Party, with the class composition of independent schools and have failed to see how the experience of independent schooling has changed and how this affects the way classes reproduce themselves.

"The research is by and large narrow in its scope, outdated in its observations, and unsophisticated in its analysis."

More hurt in school accidents

Schools unable to afford maintenance and repairs are causing an alarming increase in the accident rate among teachers, the Assistant Masters and Mistresses Association said on Saturday.

The 90,000 member association said accident claim figures had doubled in the past two years in cases such as: the collapse of furniture which should have been replaced or repaired; falls on uncleaned or badly-cleaned floors; and falls on broken slabs or unfilled potholes.

Anti-caning lobby scents victory

By Colin Hughes

Campaigners against corporal punishment expect nearly half of Britain's education authorities to have banned the practice by the end of the year.

STOPP, the Society of Teachers Opposed to Physical Punishment, says 18 of the 125 authorities in Britain have banned beating and caning, or found ways of preventing it. Another 50 have decided to ban or are considering abolition.

Most campaigners believe the Government will eventually bow to pressure from a suc-

cession of European court cases, and decide on a universal ban.

In February 1982, the European Court of Human Rights ruled that corporal punishment was degrading and breached the convention human rights. The Government responded by issuing a consultative document last July proposing to allow parents who objected to corporal punishment to deny teachers the right to use it.

No decision has been taken on the proposal, which may still not satisfy the European court.



Four-legged friends: The Marchioness of Tavistock with Mrs Moss, the brood mare of 1983, and her newborn filly, which could be worth £500,000, at Woburn Abbey stud farm, Bedfordshire.

Chocolate eggs checked

People who buy Easter eggs get widely varying amounts of chocolate for their money, and in some cases none at all, according to the West Midlands consumer services department.

It carried out a survey of leading manufacturers' eggs, and calculated that the price for a quarter pound of chocolate could vary from 60p to £1.50.

Prices for the same eggs varied by as much as £3 according to packaging, and an

Easter egg could cost up to four times as much as the equivalent weight of the same brand of ordinary boxed chocolates. Manufacturers are not obliged to disclose weights on eggs.

The consumer department also found that eggs made of real chocolate are being supplanted by cheap substitutes in which cocoa butter and milk fat are replaced with vegetable oils.

The eggs are sold as "chocolate flavoured".

Deer farm to be sold

A Scottish estate with 1,300 deer is to be offered to private enterprise by the Highlands and Islands Development Board. The sale marks the completion of a seven-year experiment in farming deer commercially.

When the board bought the 3,500-acre Rahoy estate in north-west Scotland for £250,000 in 1977, it was regarded as a radical departure into new ways of managing highland estates, using mar-

ginal hill areas and integrating farming with tourism.

Young wild deer taken from many parts of the Highlands were reared at Rahoy, and the board claims that the quality has been proved in the market place.

Experience of nutrition, husbandry, stock handling and management will be made available in a final report by the board's scientists.

Package holiday scramble predicted

By Derek Harris, Commercial Editor

Demand for overseas package holidays at Easter is up 12 per cent on last year and breaks in popular destinations such as Majorca have mostly been sold, according to the Hogg Robinson travel agency chain.

Peak period packages in July and August are also heavily sold, raising the prospect of demand outrunning supply as an estimated additional 400,000 Britons prepare to take holidays abroad this year. Some six million package holidays are likely to be sold this summer.

It could mean one of the biggest scrambles for last-minute bookings for some year because it is estimated that 40 per cent of prospective holiday-makers have yet to book.

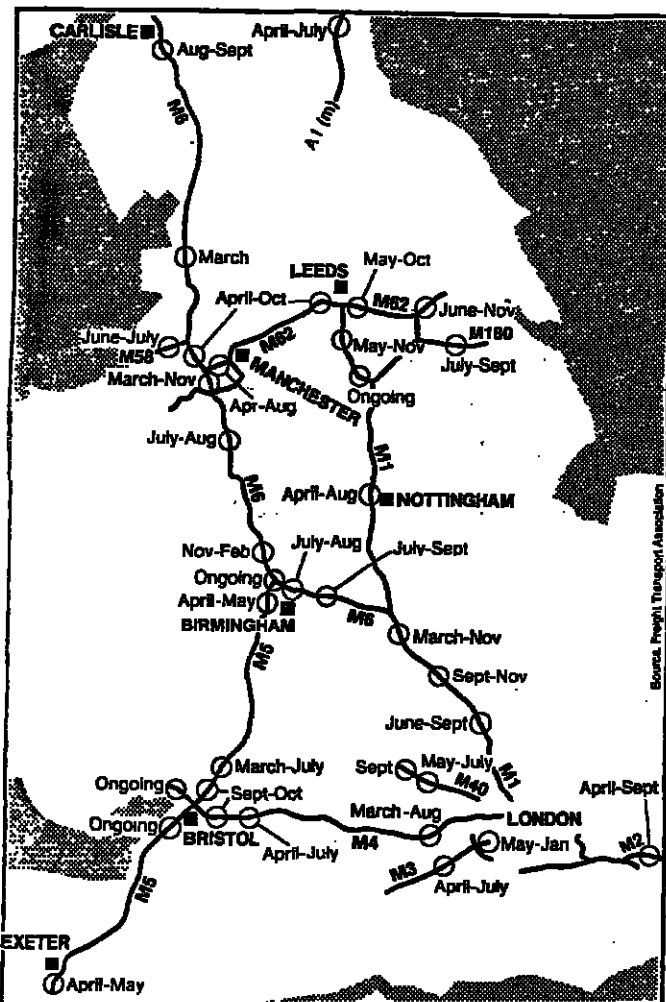
Warnings of possible shortages come from other leading travel agents. Pickfords Travel believes it is probable that half of uncommitted holidaymakers will want to book within three weeks of departure.

Although some tour operators' bookings are reported to be down compared with this time last year, the top four - Thomson Holidays, Intasun, Horizon and Cosmos - are all reported to be substantially up. Hogg Robinson believes that bookings overall are up by 10 per cent. Most other major agencies agree, although there have been suggestions of a 5 to 10 per cent band of growth.

This will probably mean that most tour operators will not, as had been expected, cut capacity, but keep their options open in the hope of late sales.

There are still some package holidays available over Easter, according to Mr Paul Foster, Hogg Robinson's director of consumer products.

The big retail chains are preparing to relay the latest holiday offers quickly, mostly through computer links. Hogg Robinson has a new fare check system showing the cheapest available charter flights to the top ten destinations.



Fewer delays despite repairs

Motorists face fewer delays on Britain's motorways this year, in spite of another big programme of repairs. That is because of the steadily improving skills of the police and the Department of Transport to keep traffic flowing during the repairs (our Transport Editor writes).

Work will be carried out this year on 70 to 80 miles of the system or about 5 per cent of

the total, the same as last year. The specific areas are circled on the map and marked with the repair time.

The worst areas are likely to be the southern end of the M1, where northbound and southbound carriageways are being repaired from now until November, and the M6 where there will be repairs, reconstruction and repainting between now and October.

Sponsoring a spirit of adventure

By A Staff Reporter

The Kassia gens of Hypo-roid frogs will be under intensive scrutiny in various habitats in the Cameroon over the next year. So will the roseate tern in the Azores and an endangered plant with potential medicinal value that has its home in Madagascar.

Expeditions from Britain, combining scientific research with adventurous sporting activity will be setting off this year in greater force than ever under the banner of the Royal Geographical Society, and helped by a doubling of grants. The Society considered more than 120 applications from serious scientific expeditions, a fifth up on last year. They approved 80 and gave financial support to 60. At £25,000, helped largely by British Sugar, grants are double last year's total.

The company feels that with most business sponsorship going to sport or the arts, the spirit of adventure deserves cultivating as well.

Young teams based in universities or colleges form the basis of this year's efforts. The most popular destination is Peru (seven), followed by Ecuador, Kenya and Norway, with five each, and Papua New Guinea, with four. Asia is the most popular continent, attracting 22 teams.

Cardiff will be examining glaciers in Norway, Cambridge heads for the Karakoram Mountains of north Pakistan and an intrepid team from Strathclyde will be off to Sierra Leone.

There will be an attempt to balloon round the world (Project Jules Verne).

Women captains of the fleet

By Clifford Webb, Motoring Correspondent

Women have penetrated another male stronghold to win key positions in the £8,000m-a-year fleet car market, which accounts for two out of every three cars sold in Britain.

No other country in the world has so many cars bought by so few people. The biggest fleet administrators place orders worth up to £50m a year.

It is a tough, competitive job, which involves resisting the blatant wooing of the car makers and the pressure from within their own company for particular models. With such huge sums involved mistakes are costly.

The area was dominated by men until recently. Now women such as Mrs Jean Denton, aged 48, managing director of Herondrive, administrator of 5,000 new cars a year. Last year she was Female Executive of the Year.

Mrs Denton admits that she is a "car nut" and that would seem an apt description for a former British Women Racing Drivers' Champion and regular rally driver. Although no longer racing she still lets off steam on the regular new car test days run by all the manufacturers.



Mrs Jean Denton: Former racing driver.

They await her reaction to their latest models with some trepidation. She has a reputation for damping with faint praise.

In spite of her love affair with the car she insists that car expertise is not necessary for fleet administration. "The expertise I brought to this job is that of an economist not a racing driver. Women are good at it because they are able to cope with detail better than most men. They also bring a great deal of common sense to bear on seemingly complex problems", she says.

She admits that on occasion she has met with some resist-

ance from manufacturers. "But it does not last long when they accept that you are on top of your job. In any case it is a question of dealing with me or nobody and there is an awful lot at stake."

Mrs Kathleen Chamberlain, aged 37, runs the 750-strong car fleet at Avon Cosmetics. She worked for the company for 19 years before getting the fleet job just over two years ago. Like Mrs Denton she admits to being very competitive, even to the extent of beating off traffic light challengers in her 2-litre Sierra.

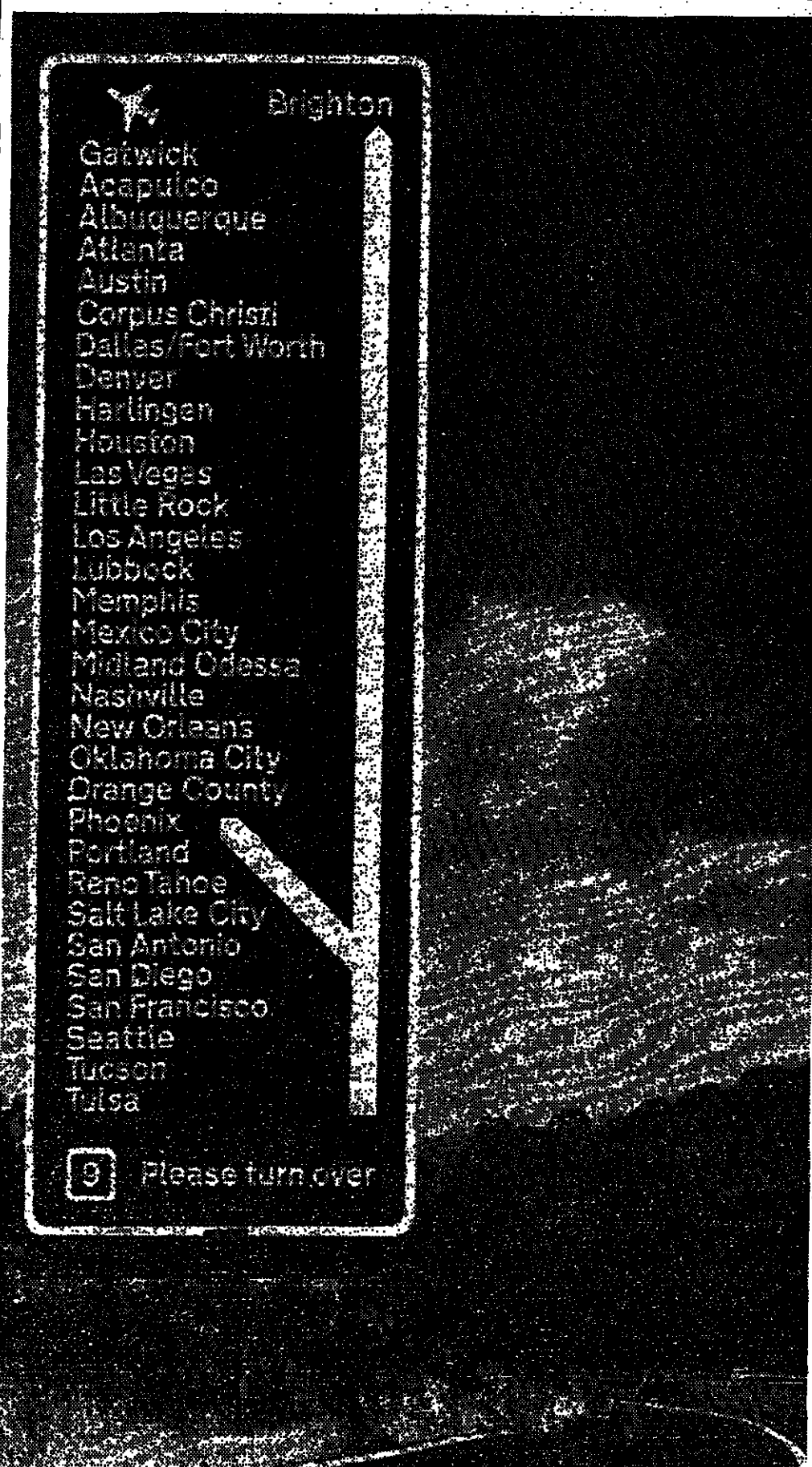
Any trouble with car salesmen? "They flirt a little but only as a way of putting me at ease. If they believe you are obsessed about the fleet business they soon realize they are on more fruitful ground talking about cars", she said.

Mrs Chamberlain was in Avon's financial department before being appointed administration services manager.

She agrees with Mrs Denton about the attention to detail women bring to bear on the fleet business. "We review all the options and we are also more creative", she insisted.

How does she get on with her male opposite numbers? "There are no problems. We get on fine."

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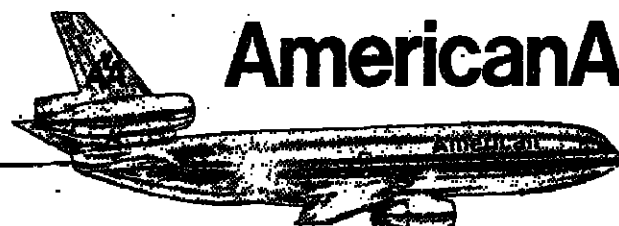
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Race and education: 1

Tending a garden of harmony

Statistics alone would seem sufficient to convince any politician that special measures were needed to prevent the Yorkshire "mill-town" of Bradford being split down the middle by racial division.

One in six out of 80,000 schoolchildren is Asian, most of them Pakistani Muslims. By the beginning of the next century that figure will be one in three.

In 33 of the 311 schools more than half the children are coloured, and in another six the proportion exceeds 90 per cent.

Yet it took the catalyst of race riots in Brixton and Toxteth four years ago, backed by the urgent pressures of unemployment caused by a vanishing textile industry, to persuade the city council leaders, then Labour, to act.

A general statement of policy followed. Then a small group of Muslim parents proposed to take over five schools and run them according to Islamic principles, under the same laws which enable Roman Catholics and other denominations to run voluntary-aided schools.

The city council could not counter the Asian arguments for voluntary-aided status, and undertook an extensive canvass among Muslims. They were, in effect, issuing an ultimatum: either you allow us to keep our culture intact within your system, or we go outside it, and you can expect an explosively divided society within a decade.

The education authority responded with a string of policy changes, passed under Conservative control but with all-party support. By meeting the Asians' demands they averted the establishment of separate Muslim schools.

Their policy, however, is based on traditional principles of providing selection on merit and long-term integration of the Asian community.

There is no positive discrimination.

The special problems of educating ethnic minority children have aroused keen debate in many areas of Britain, but most particularly in Bradford, where a Conservative-controlled council has pushed through one of the most contentious multicultural programmes in Europe. COLIN HUGHES, in the first part of a series, asks: is Bradford a model for future racial harmony?

nation, no school books are censored from above. Yet the policy is also the most centrally prescriptive in Britain, obliging head teachers to follow measures the council has laid down.

As the shock waves begin to settle in Bradford's multi-cultural schools, it is becoming clear that greater demands remain to be met.

Bradford has stopped a long way short of any changes which resemble too closely the left-wing, radical measures taken by some London boroughs. Some schools in Islington, north west London, for example, have announced that they will expect children found guilty of racist behaviour.

Officials from the Inner London Education Authority who visited Bradford recently went away suggesting they saw Bradford's policies as merely cosmetic. The measures have, however, found broad acceptance among Asians living in a community which is traditionally conservative.

Muslim girls must be allowed to wear shawl trousers to cover their legs for modesty in Bradford, but they must wear

them in school uniform if there is one. The same applies to track suits, which Muslim girls must now be allowed to wear for games. If parents request, head teachers must also allow separate physical education lessons for Muslim girls, and rooms for Muslims to pray.

Schools are expected to provide Muslim assemblies if possible, some now allow an imam in to take separate assembly once a week.

Parents can also withdraw their children on religious festivals, which often fall at different times for Hindus, Sikhs, and Muslims, but it is clear that many schools are resisting the move.

But most resentment is created among head teachers because schools are now obliged to report at six-monthly intervals every incident of racism which comes to their notice.

It was not until the authority decided to introduce halal meat, slaughtered in accordance with Islamic law, that white protest surfaced, and then it came first from campaigners against cruelty to animals.

Mr Ray Honeyford, head-

teacher at Drummond School, published an article in the Salisbury Review attacking the "multicultural zealots" for being indifferent to disadvantaged white children and promoting linguistic chaos. He added that no one seemed to be tackling the huge problem of Asian absenteeism, and touched a sore point in the council's policy.

Mr Michael Whitaker, the education director's assistant who has coordinated the policy development, estimates that there are 1,000 Muslim girls out of 15,000 Asian children altogether not attending school because their parents will not leave them alone with boys once they pass puberty.

So far the council has walked the tightrope of concessions to all party lines and the different communities with success. As the present policy becomes habit, however, it is clear that the Asians will seek more.

Mr Sher Azam, president of the city's Council of Mosques, says that the absenteeism problem will not be solved until the Muslims are helped to set up single sex schools. It is a paradox that those teachers most sympathetic to multi-racialism are the more progressive liberals, to whom coeducation is almost sacrosanct.

Nonetheless, he believes Bradford has launched a gradualist approach which will eventually conjure a vision of harmony. "Imagine it like an English garden, full of different colours blooming at different times of the year, each needing different amounts of water."

The image contrasts sharply with a rundown inner city characterized more by dereliction than floral display, and sceptics suspect that the most profound differences have only begun to surface.

Tomorrow: The future task.

QUALIFICATIONS OF BRADFORD SCHOOL-LEAVERS (%)

	All leavers	Boys	Girls	White	Black	White Girls	Black Girls
None	16	30	12	14	30	10	30
Low CSE/O only	41	41	41	41	42	41	40
1+ higher grade	43	39	47	45	27	49	30
O/CSE or A level	23	22	24	24	14	24	20
O/CSE or A level 1+ level or more	11	12	11	12	8	11	10

Source: Department of Education Schools Survey, 1983, and Bradford Metropolitan Council.

Runcie puts moral view about jobs

The problem of high unemployment among teenagers is both moral and political, the Archbishop of Canterbury, Dr Robert Runcie, said on Saturday.

Speaking on morality in education to parent-teacher association members at Kent University in Canterbury, he said: "We are confronted by what is at worst a moral vacuum and at best a morally shapless world for ourselves and our children to inhabit."

Adulthood no longer conferred automatic moral authority. Many children would point to the adult world and say: "This is where your so-called values have got us."

He continued: "I am afraid that the problem of teenage unemployment must be regarded as moral as well as political, and I make no apology for including it among the factors which have led to a diminution of respect for traditional authority."

"It is one more factor to undermine the adult world. Turning to the education system, Dr Runcie criticized the tendency to judge the value of education solely in terms of the demands of the labour market."

He said: "We must build up the pressure for a more explicit moral dimension to the curriculum."

The Christian faith gave values and provided a language in which to discuss moral problems.



Counterpoint: Mr Andy McCullough teaching at Eton and playing in Boston, Massachusetts. Mr McCullough wears sober suits as a music master at the public school but switches to rhinestone outfits and a bright green wig when he becomes a pop singer.

Mr McCullough, appearing in Boston during the school holidays, with his headmaster's approval, says: "Fans aged 15, 16 and 17 make up most of my audiences and I am really getting the star treatment."

His repertoire ranges from classical to chart-toppers. He explains: "I aim to get those children who are interested only in pop to listen to a few classics too."



Journalists risk Labour boycott, Hattersley says

Labour politicians will boycott journalists who write unfairly hostile stories about the Labour Party, Mr Roy Hattersley, the shadow chancellor of the Exchequer said at the weekend.

His warning came in a speech to editors which was deeply critical of the standards of "bad newspapers which were 'bad for democracy'."

"You must expect a more determined and professional generation of Labour politicians to become increasingly selective about the journalists to whom they talk."

"And that selectivity will cover all our work. The day has gone when you can exorcise an MP one day and hope for his cooperation with a human interest story on the next day," he said.

Mr Hattersley, deputy labour leader and a working journalist, was speaking to the annual conference of the Guild of British Newspaper Editors in Harrogate, North Yorkshire.

He said he opposed any assault on press freedom, whether from nationalistic or from the "multi-nationalization

which is practised by Rupert Murdoch."

But he said no freedom in a responsible society could be absolute or unlimited. "Editors do not, or should not, possess the freedom to imperil national security or to destroy the lives of innocent private individuals."

"They do not, or should not, enjoy the right to deceive their readers by the calculated and conscious distortion of news."

The problem of political prejudice was growing more severe with the concentration of ownership which he believed affected provincial newspapers even more than the national press.

When he entered the House of Commons 20 years ago, it was still worth trying to convince journalists working on papers opposed to Labour that his party was right on specific issues. Now talking to many papers was "at best a waste of time."

He had now advocated the end of formal by-election press conferences and Labour politicians would be increasingly selective about which journalists they talk to.

Computer opens access to news files

By Bill Johnston

The Guardian newspaper is the newest recruit to a novel computer bank which sells thousands of pages from its files to clients around the world.

The service, called the "World Reporter", is called from four main sources - BBC World Service publications, BBC External News Service, English, The Economist and general news from the European service of the Associated Press.

Users pay a connexion fee for the service and, by means of a computer terminal, can have news items displayed on a electronic screen in seconds. According to Thorn-EMI Data-solve, which operates the system and devised it in partnership with the BBC, it provides a cost-effective way of searching through about a hundred million words of authoritative world-wide news.

Others in discussion with the computer group include The Times, The Washington Post and The Financial Times.

Pesticide found in a third of fresh fruit

By Robin Young

A third of fresh fruit and vegetables sold in Britain contain pesticide residues, and the level was regarded as significant in a seventh of the samples collected in routine checks for the Ministry of Agriculture last year.

The Association of Public Analysts, which made the tests, was told at its annual meeting in Norwich yesterday that the results proved the need for continued sampling by local authorities.

Mr Peter Martin, chairman of the association's public relations committee, said that voluntary control schemes could be counter-productive. "We have to face the fact that where voluntary limits apply, our chances of obtaining convictions against foodstuffs are very slim indeed."

Mr Martin said that analysts had been particularly concerned about recent cases of the incidence of aflatoxin, a powerful, carcinogenic, in nut products.

Howe flies into China for talks on colony

From David Bonavia Peking

Sir Geoffrey Howe, the Foreign Secretary, arrived here yesterday for talks with Chinese leaders on the future of Hongkong.

Sir Geoffrey was accompanied by Dr David Wilson, Assistant Secretary of State and former political adviser to the Hongkong Government, a Foreign Office legal expert and other officials.

The Foreign Secretary was met by his Chinese counterpart, Mr Wu Xueqian, and other senior officials. Sir Richard Evans, the British Ambassador to China, and Sir Edward Youde, the Governor of Hongkong, were also at the airport to greet Sir Geoffrey and his party. Talks will be held with Mr Wu and possibly more senior Chinese officials today.

Sir Geoffrey will visit Hongkong and go on to South Korea and Japan later this week. Official sources here discouraged the view that his arrival marks a breakthrough in negotiations, which have been in progress in Peking for the past 18 months. An outline agreement is not expected before June.

As though to play down the significance of the visit, Sir Geoffrey will not be giving a press conference here. He is expected to give one in Hongkong instead to underline the consideration which London claims to be giving to the interests of the British-ruled territory's nearly six million people.

The most difficult question is whether the people can be involved in a process of self-government without the appearance of political groups hostile to any negotiated settlement between Britain and China.

Other matters for discussion include the opening of a British consulate in Shanghai and a Chinese consulate in Manchester.

China has promised 50 years of internal autonomy under a government selected from local people in Hongkong with a capitalist economy and retention of the British-style legal system. Britain and its armed forces would, however, depart in 1997, when the lease on the economically vital New Territories expires.

Sir Geoffrey told reporters that his RAE VC10 jet-visit is a stage in the complex and difficult process of working towards agreement on the best way to secure the objectives of continued stability and prosperity (in Hongkong).

"A great deal of progress has been made. It is now time to review the position at ministerial level and to decide how best we can take the process forward from here."

Leading article, page 13.

Island economy worsens

Antiguan leader goes to the polls a year early

From Jeremy Taylor Port of Spain

General elections are being held tomorrow in Antigua and Barbuda, whose people are more prosperous than many of their Caribbean neighbours, pay no income tax and are led by the Commonwealth Caribbean's elder statesman, Mr Vere Bird.

He will be 74 in December and is expected to hand over power to his busy son and deputy, Mr Lester Bird. Apart from his years in the early 1970s, Mr Vere Bird, a former trade unionist and Salvation Army officer, has led Antigua since he became Chief Minister in 1960, and secured independence from Britain in 1981.

He has not explained his decision to call elections a year early. However, like most of the Caribbean, Antigua is worsening economic difficulties and is contemplating help from the International Monetary Fund, which has already said that Antigua must restrain wage increases, cancel wage increments and cut public service jobs if it wants a loan.

Mr Bird's Antigua Labour Party holds 13 of the 17



Runway riots: Weekend clashes between West German riot police and hundreds of protesters against the new runway at Frankfurt airport led to 13 arrests. Police fear the violence will continue for several days.

Hanoi pursues carrot and stick policy over Cambodia

By Bruno Franceschi Agence France-Press

Hanoi - Vietnam's recent offensive in Cambodia was aimed at the three internal resistance groups there rather than at exacerbating regional tensions. Nguyen Co Thach, the Foreign Minister, said, while repeating a pledge that Hanoi would soon withdraw some of its forces.

In an interview with Agence France-Press, Mr Thach also appeared to strike a conciliatory tone on China, which attacked Vietnam during the offensive for the second year running.

But despite his expressed willingness to negotiate with China, and despite the renewed pledge to pull out some of the forces in Cambodia, Mr Thach ruled out talks with the leader of the coalition of resistance groups, Prince Norodom Sihanouk.

China supports the coalition and contributes weapons to the largest of its groups, the Khmer Rouge. Mr Thach also asserted that he had found during trips to Indonesia, Australia and Thailand some measure of agreement with his view that the Khmer Rouge posed the main obstacle to a settlement in Cambodia.

He said he did not think the offensive, which began on March 24, after he had ended his tour, would jeopardize dialogue with other countries on the Cambodian issue. "In any country, whoever takes up arms against the government is considered a rebel," he said.

"You can't be shot at and not react."

The elimination of the pro-Khmer Rouge forces from Cambodian territory, he said, would be "easy". "What complicates things is the (Khmer Rouge) sanctuaries in Thailand, whose sovereignty we don't want to violate."

He also said that China's military action at the Vietnamese border was "stronger than in April last year" and was a reaction to Hanoi's stepped-up diplomacy there.

"This year, the Chinese needed more explosives to

undermine the dialogue. We are always prepared to riposte but also to negotiate with Peking."

But Mr Thach ruled out participation in any dialogue with Prince Sihanouk, who heads the loyalist faction of the coalition, or with his former Prime Minister, Mr Son Sann. Mr Son Sann's nationalists are the third group in the coalition.

Mr Thach rejected Prince Sihanouk's recent proposal for talks, reportedly put forward in three letters to Vietnamese Prime Minister, Mr Pham Van Dong.

Vietnamese forces down Thai jet inside Thailand

Vietnamese forces in western Cambodia yesterday fired on and brought down a Thai military aircraft one mile inside Thai territory, according to Squadron-Leader Prasong Suanair, Thailand's national security chief. He said it had been hit either by a surface to air missile or an artillery shell.

Soldiers here searching for the crew who were seen to parachute from the L19 spotter aircraft into the jungle.

It has the first destruction of a Thai aircraft by Vietnamese troops on the Cambodian border for four years. In June 1980 they shot down a similar aircraft during a brief invasion of Thailand. Yesterday's incident occurred in Surin prov-

ince, not far from the point where several hundred Vietnamese troops briefly invaded Thailand late last month.

The aircraft was observing fighting between Khmer Rouge guerrillas and Vietnamese forces which flared up early on Saturday. Since their about 7,000 new refugees have fled into Thailand through a narrow mountain pass.

Thai officials and international relief workers estimate that about 100 Cambodians have been killed or wounded in the past 48 hours.

WASHINGTON - The United States is to send Thailand 40 M48 tanks to meet the threat from the Vietnamese military presence in Cambodia (Mohsin Ali writes).

Parties say Pinochet must quit

From Florencia Varas Santiago

The resignation of President Pinochet and a return to democracy by next year were demanded this weekend by parties represented in Chile's main opposition grouping, the Alianza Democratica.

In a speech on Friday night, the alliance's president, Señor Gabriel Valdes, a Christian Democrat, said: "By reiterating 'time and again his intention to remain in power, General Pinochet has made it impossible to reach any kind of solution to the extreme political tension this nation is suffering'."

The statement marks the end of attempts at dialogue between the Government and the Opposition begun last year.

"General Pinochet is attempting to continue to force the Chilean people to submit to his decisions, backed by a constitution that lacks all legitimacy."

"He does not consider 10 years of government, with the consequent results, to be too much and he intends to remain in power for another seven or 14 years. We all know what the consequences of this situation will be... the fatal growth of terrorism from all sides."

Three aims for Thatcher in Lisbon

By Anthony Bervin Political Correspondent

Mrs Margaret Thatcher, the Prime Minister, begins a three-day visit to Portugal tomorrow - the first official visit by an English premier this century.

Asquith was the last prime minister to visit Britain's oldest ally, in 1910, but he went for a holiday and his talks were unofficial.

Mrs Thatcher will pursue three objectives during her stay: to enhance the alliance; to reaffirm the British welcome for Portuguese accession to the European Community; and to bolster trade.

It was said yesterday that the bonds of friendship between the two countries, which reach back more than 600 years, were being rekindled during the Falklands conflict, when Lisbon provided political and technical support for Britain in spite of the large number of Portuguese in Argentina.

Mrs Thatcher also sees strong similarities in approach to international situations, a non-isolationist attitude which, it is felt, stems from Portugal's colonial history.

Whitehall also sees a shared interest in Portuguese accession to the EEC, with Spain, at the start of 1986. Negotiations are expected to be completed in September and because Portugal would hold a similar place to Britain in the economic league table of the EEC, it is felt that Lisbon will be a natural ally in the struggle for long-term financial reform.

On the trade front, Mrs Thatcher will be seeking to improve the balance between the two countries. In 1983 Britain imported £476m of Portuguese goods, compared with exports to Portugal worth only £397m.

Although Mr Denis Thatcher has been a regular visitor to Portugal for golfing holidays, and sometimes accompanies his wife on official visits, it was said last night that he was expected to be joining the Prime Minister this week.

Muslim sect fears persecution

By Edward Mortimer

Members of the Ahmadiya community in London believe that a new wave of persecution is about to be unleashed against their members in Pakistan.

The past few months have seen a growing spate of calls from fundamentalist groups, who regard the Ahmadiya as a heresy, for the 1974 decision that it is a non-Muslim sect to be enforced. The sect has been accused of involvement in a kidnapping case and there have been demands that its leader, Khalifat-ul Masih IV, should be brought to court and accept personal responsibility.

Twice in Pakistan's history, in 1953 and in 1974, agitation against the Ahmadiya has led to serious bloodshed. In 1974

more than 30 people were killed before the Prime Minister, the late Mr Zulfikar Ali Bhutto, gave in to demands that the sect be officially declared non-Muslim.

Mr Ataul Mujeeb Rashed, Imam of the Ahmadiya's London mosque, said the present agitation has already caused one death - that of the head of the local Ahmadiya community at Mehrabpur in Sind, who is said to have been killed last week.

The fundamentalists, supported by editorials in some newspapers, have demanded that Ahmadis should be dismissed from all "key posts" in the administration, that their non-Muslim status should be marked in their passports, that

they should be forbidden to make the public call to prayer, and that their mosques should be confiscated.

If this is not done by April 30 they have threatened to take the law into their own hands and kill anyone who resists.

Founded in the 19th century the Ahmadiya has about 10 million members worldwide, of whom the majority live in Pakistan. It is regarded as heretical by orthodox Muslims because it calls its founder al-Masih (the Messiah); this is taken as implying that Muhammad is not the final "seal of the prophets" as orthodox Islam holds, but can be followed by others.



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ADDRESS

Mugabe accuses bishops of fantasy in reports of army brutality

From Stephen Taylor, Harare

With more disclosures being made about brutality in southern Matabeleland, Mr Robert Mugabe, the Prime Minister, visited the troubled province at the weekend for the first time since the imposition of a curfew on February 3, gave rise to allegations of killings and torture.

In Bulawayo on Saturday he defended the security forces, saying that he was "very happy" with the job they were doing, and condemned Roman Catholic churchmen whom he said had become agents of Mr Joshua Nkomo and his opposition Zanu party.

His comments follow disclosures in a secret report handed by the Roman Catholic bishop's conference to the Government on April 2 which alleges brutality by the Army against the minority Ndebele inhabitants of Matabeleland.

The report, while supporting the Government's right to eliminate "rebels" - renegade former Nkomo guerrillas turned insurgents - said the Army's conduct amounted to a deliberate campaign to starve the 450,000 inhabitants of southern Matabeleland and accused troops of detaining civilians at random, torturing and beating captives, and killing.

Asked if he believed there was any substance in the report Mr Mugabe said "I can assure you

the troops have been very restrained and we are full of praise for what they have managed to do." The security forces, he added, were performing "a wonderful duty".

He said the Government would investigate the claims. "We will be coming to the bishops and saying - 'where did the killings occur? Take us to those areas'."

Mr Mugabe, who had just addressed young supporters of his Zanu (PF) party, attacked Catholic churchmen in general and Bishop Henry Karlen, the Bishop of Matabeleland, in particular.

Having accused the church in Matabeleland of supporting Zanu he added: "apparently Bishop Karlen's church in this area has erected a mammon of its own in the nature of Joshua Nkomo". Some of the church allegations were "very fantastic indeed".

There was nothing in the Prime Minister's remarks to indicate a sense of *defa vi*. A year ago he accused the Catholic bishops of being "sanctimonious prelates" after they alleged a massacre of Ndebele civilians by the Army in similar circumstances, but soon afterwards he felt obliged to appoint a committee of inquiry into Army atrocities.

On Saturday Mr Mugabe said security forces had scored telling blows against the guer-

illas, killing "upwards of 35".

According to sources in Matabeleland the relaxation last week has allowed substantial food supplies to reach the population for the first time since February 3. Journalists are still barred from the area.

The bishop's dossier describes how the Army made it impossible for civilians in the drought-afflicted zone to obtain food by cutting off food supplies to the area, preventing people from leaving, and closing all shops.

"A policy of starvation became clear when the commanders told meetings that the people would eat their chickens, then their goats, after which they would eat their cattle and then their children."

In recent weeks children had become prone to collapse from hunger. Many were unable to attend school and some were showing signs of kwashiorkor.

The bishops also referred to "routine beatings" of civilians, killings and detention.

"Many men have been taken away to various camps and have not returned to their homes," the report says. "There are reports of torture by electric shock and other means, and of killings."

However, the number killed directly by the Army is thought to be a fraction of the alleged massacres last year when by some estimates between 2,000 and 3,000 were slaughtered.

Buhari's first 100 days

Democracy the target - but not yet

The first of three articles by Kenneth Mackenzie from Nigeria after 100 days of military rule reflects the views of the Head of State, Major-General Muhammadu Buhari.

General Buhari told *The Times* that he was a believer in the right of people to rule themselves, but he did not consider this was the right time to work out details of a programme for a return to democratic rule.

In written answers to questions, the general said: "On the issue of national unity, for instance, it is clear that the very act of intervention by the armed forces in government in itself has put a new lease of life into the nation, since it has brought an end to partisan politics and the activities of politicians which were threatening the existence of the nation."

He claimed to have established a "machinery of government at all levels with clear functions to perform". "Government has also taken practical steps to recover all ill-gotten properties from former politicians and other functionaries. Military tribunals have been set up to try all persons currently in detention accused of corrupt practices."

Asked about the end of the "honeymoon period" and signs of public disillusion, General Buhari said that his administration had inherited a battered economy and a demoralized society, and added: "I believe that the main reason for the apparent impatience by the public has to do with the



General Buhari: Crusade against corruption.

natural urge for immediate relief by a people who have suffered for long but suddenly found help, rather than with the actual slowness on the part of the administration."

On corruption, General Buhari was asked if his Government was in a position to inspire the needed revolution in Nigerian attitudes. He replied: "No doubt it takes more than one to practise corruption. We appreciate this and this is why we have carried the crusade to other sections of

the Nigerian community. An exercise is currently on to rid the public service of all corrupt and disloyal elements.

"Additionally, we have recently waged war against indiscipline in all its facets in our society. All public organs, the mass media and organizations, including voluntary ones, have been asked to join in the crusade."

"If the current tempo is maintained, and provided we at various levels display leadership by example, which is a key element in this struggle, it will not be too long before we see encouraging improvement in our attitudes and sense of values."

On the question of an eventual return to civilian rule, General Buhari said: "I am a firm believer in the right of a people to decide how they want to rule themselves. However, I do not see much value in treating the issue as a theoretical subject in a situation which demands all hands on deck to salvage an economy on the verge of collapse, and to restore confidence to a society whose affairs have been so badly mismanaged."

"The question is is it not more profitable to devote our time now to the task of restoring sanity to our society and making life more tolerable for our people than to the academic exercise of drawing a timetable for the return of power to those who have only recently brought us to this economic and social precipice?"

Tomorrow: Economic realities

Gromyko seeks navy cut talks

From Richard Owen, Moscow

Mr Andrie Gromyko, the Soviet Foreign Minister, has written to Señor Pérez de Cuéllar, the United Nations Secretary-General, to propose talks on naval disarmament involving all the principal maritime powers. The move comes hard on the heels of an almost unprecedented display of Soviet naval might in the Norwegian Sea earlier this month, involving 100 warships.

In his letter to Señor Pérez de Cuéllar, published in *Pravda* yesterday, Mr Gromyko accused the United States of a naval build-up involving both new warships and the updating of older vessels with modern weaponry. He suggested there should be agreed limits on warships, anti-submarine forces and aircraft carriers "which are especially destabilizing and are used to show force and exert pressure". Naval bases in third countries should also be cut back.

Mr Gromyko had been expected to make a speech on foreign policy at last week's meeting at the Supreme Soviet, at which he was reappointed Foreign Minister. Instead, President Chernenko gave an interview on East-West issues to *Pravda* and asserted that the Soviet leader himself plays a key role in foreign policy.

Court pleas for clemency

Colonels jailed for abortive coup

From Harry Debelius, Madrid

A court martial sentenced three Spanish Army colonels to 12 years and one day each and acquitted a fourth colonel in connexion with an abortive plot to stage a military coup on the day before the elections which brought the present Government to power, military authorities revealed here yesterday morning.

The court recommended, however, that the Government should revoke the sentences and exercise its prerogative to reduce the sentences to four years each and expulsion from the armed forces.

In an explanation of its verdict published yesterday, the five-member General court martial said that by law the minimum sentence for military rebellion is 12 years and one day. However, the court considered such a punishment "notably excessive".

The defence said after being told of the court's decision that it would appeal. It is required to present grounds for an appeal to the Supreme Tribunal of Military Justice within three days. The prosecution also has the right to appeal.

Although their sentences include automatic expulsion from the Army, the court specified that the colonels must serve their time in military rather than civilian prisons. The sentences were lighter

than those requested by the military prosecutor when trial began last Tuesday. He had asked for 15 years for three of the officers.

Those convicted are Colonel Luis Muñoz, Colonel Jesus Crespo Cuspinera and his brother Lieutenant-Colonel Enrique Crespo Cuspinera. Lieutenant-Colonel Jaun Fernandez Hidalgo was acquitted.

The officers were accused of drawing up detailed staff plans for a military takeover, scheduled for October 27, 1982, one day before the last general election. This was the third important trial of officers accused of conspiring to return the military to power since General Franco's death in 1975.

The court martial, presided over by Brigadier-General Juan Castellanos, ended its hearings early Saturday afternoon, and its members then retired to consider their verdict. Their secret deliberations lasted until long after midnight.

Speaking in his own defence at the end of the trial, Colonel Jesus Crespo echoed an accusation made in 1982 by the present Prime Minister, Señor Felipe González, that the plot was merely an invention of the Centre Democratic Union, the party in power then, designed to scare Spaniards out of giving their votes to the Socialists.

Time runs out for Craxi law

From Peter Nichols, Rome

The Italian Parliament is likely this afternoon to support the Government's controversial decree on labour costs - but by midnight, the measure will no longer be in force.

Signor Bettino Craxi, the Socialist Prime Minister, staked a great deal on the decree. As part of his anti-inflationary policy, it would have cut workers' pay by cancelling some of the benefits provided by the arrangements which the salaries to the rise in cost of living.

The Communist Party and Communist trade unions united to oppose the measure in a manner not seen for many years. The decree was introduced on February 16 and required Parliament's approval within 60 days to become law. Communist efforts at obstruction in Parliament and their public protests sounded its death-knell.

The Government's decision to attach a vote of confidence to the approval of the decree reduced discussions of amendments but even a majority,



Signor Craxi: Frustrated by the Communists.

drawn from all five coalition parties would be comparatively meaningless because there would be no time left for a vote on the decree itself.

Signor Arnaldo Forlani, the Christian Democrat Deputy Prime Minister, has suggested that the decree be modified and returned immediately to Parliament for approval. He proposes that innovations be limited to six months and the whole question of pay for dependent workers be part of a wider pay reform.

The Government should then take its own measures if unions and employers fail to reach agreement on this broad reform in the course of next year.

Soviet airliner buzzes French navy base

Toulon (Reuters) - French military authorities have opened an inquiry into a flight by a Soviet civilian airliner over a secret French naval base.

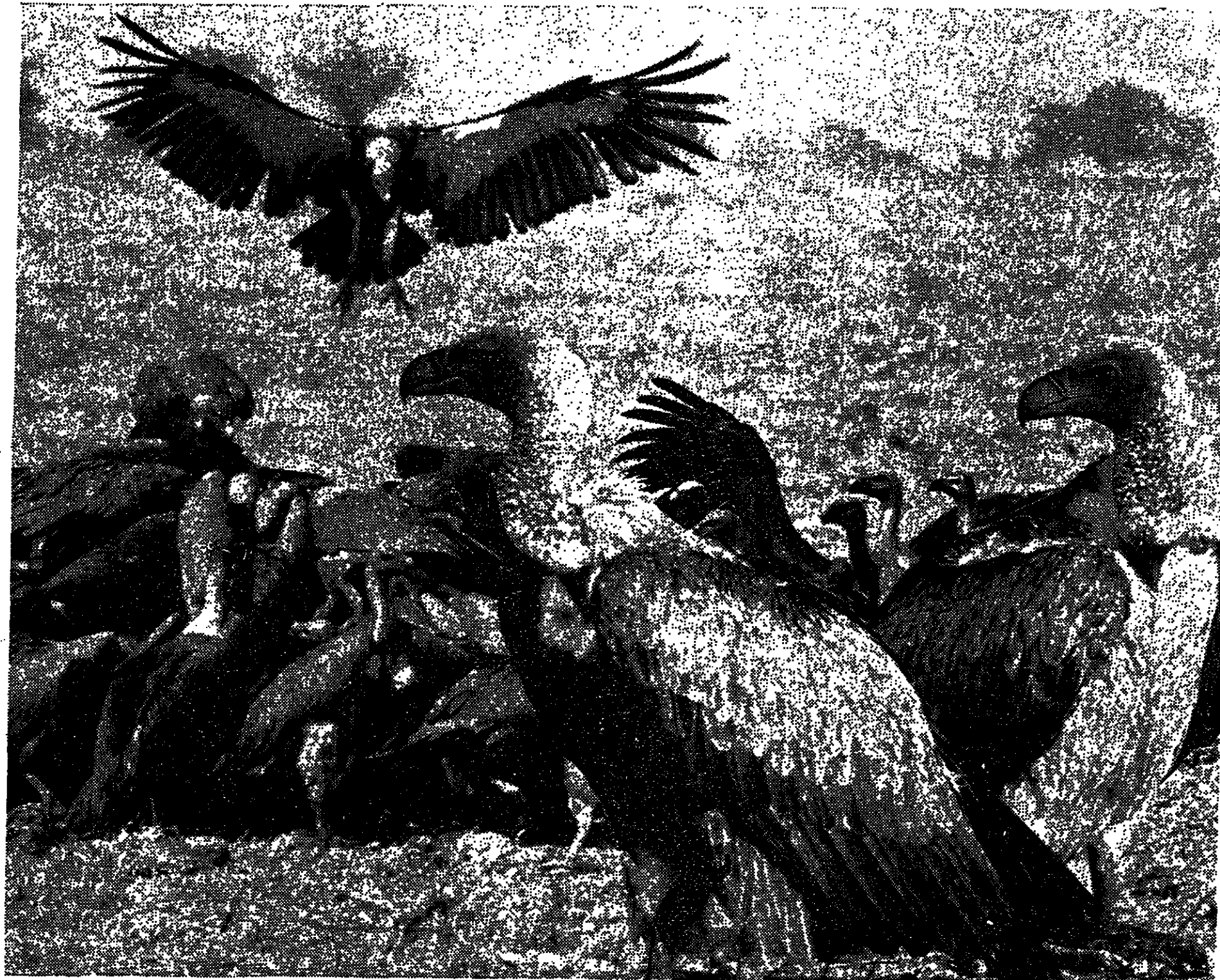
A communiqué issued by the authorities for the Marseilles region confirmed reports that a Tupolev 134 of the Soviet airline Aeroflot had strayed into prohibited airspace over the naval base at Toulon on Friday.

Informal sources said the aircraft, on a flight from Moscow to Marseilles via Budapest, had ignored several

warnings from civilian air traffic controllers that it had diverted from its approved flight path into a restricted area.

The communiqué said: "The pilot was ordered by Aix-en-Provence air controllers to resume his normal route and the aircraft landed at Marseilles."

The sources said the Rupoiev had flown low over the naval base, where France's first nuclear attack submarine Rubis and the aircraft carrier Foch were in dock.



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Reagan defends bypassing House on aid to Salvador

From Christopher Thomas, Washington

President Reagan, vigorously defending his decision to bypass Congress and order \$32m (about £22m) in emergency arms and medical shipments to El Salvador, said in a weekend radio address that "We cannot turn our backs on this crisis at our doorstep".

He ordered the aid after Congress adjourned for a 10-day recess on Friday without voting on whether to approve an emergency aid package of \$62m. The Administration said the El Salvador Army was running out of basic supplies, including ammunition.

Relations between the White House and Congress have worsened sharply in recent weeks over Reagan's policies in Central America. Although the Republican-controlled Senate approved the

full \$62m package, leaders of the Democrat-controlled House of Representatives wanted to reduce the figure to \$32m until the final outcome of the Salvadoran presidential elections is known.

The new President is due to be sworn in on June 15, and the White House decided that El Salvador was in such dire need of military aid that it could not wait for Congress to return from the recess.

By initially sending only \$32m, Mr Reagan is hoping to minimize his conflict with Congress. About \$20m will be allocated to ammunition supplies and the remainder for medical provisions, including evacuation helicopters.

In sending the aid, Mr Reagan invoked the emergency provisions of the Arms Export Control Act, which allow the President to dispatch military supplies without the usual requirement that the cost be authorized in advance by Congress.

Mr Reagan is still preparing to do battle with Congress over another aspect of his Central America policy - a request for \$21m in additional aid to the American-backed guerrillas in Nicaragua. The Senate has approved the money but the House of Representatives has stalled.

The President made no mention of the apparent end of direct CIA involvement in the mining of harbours in Nicaragua during his radio speech on Saturday. But he said: "We should not wonder that the opposition (in Nicaragua), denied other means of expression, had taken up arms."

Tass denounces radio address

Moscow (AP) - Tass yesterday said that President Reagan's radio address slandered the Nicaraguan people and was an attempt to reduce the wave of indignation over his Central America policies.

"Reagan claimed that the USA pursues a consistent policy vis-a-vis Nicaragua aimed at a peaceful settlement of the conflict in the region", Tass said. "But this consistency finds its expression only in an incessant escalation of hostilities."

"It is not Nicaragua, contrary to the statements by the American President, but Washington which is trying to export subversive activities."

Nicaraguan rebels stop mining ports

From Alan Tomlinson Tegucigalpa

Anti-Sandinista rebels based in Honduras have suspended the mining of Nicaraguan ports, fearing that stiffening opposition to the operation in the United States may lead to Congress cutting off their under-cover aid from the Central Intelligence Agency.

The largest of three rebel groups which has been credited with the mining is the Nicaraguan Democratic Force (FDN), is deeply concerned by the negative reaction in Congress which seems likely to result in the denial of \$21 m (about £14.5m) emergency funds for the so-called Contras requested by President Reagan.

Consequently, the FDN, with 8,000 men committed in an offensive in northern Nicaragua, would run out of money some time in June, according to a source closely involved in the channelling of CIA finance to the rebels.

The group's four-man directorate, which has denied persistent reports in Washington that the mining is a special CIA operation not directly involving the rebels, decided at the weekend that no more mines should be laid, at least for the time being, while it assesses the long-term effect on American and world opinion of the guerrilla war against the leftist Sandinista Government.

The other main Contras group, the Revolutionary Democratic Alliance (ARDE), based in Costa Rica, does not appear to share the FDN's concern and has announced its intention to carry on mining the ports.

Both groups say the operation is a legitimate act of war against military objectives. The aim is to blockade supplies of Soviet and Cuban arms to the Sandinista Government and to slow the delivery of Mexican and Russian oil.

Señor Edgar Chanorro, an FDN directorate member said: "We have used small, acoustic mines which have not killed anybody and are not designed to cause great destruction."

William Safire, page 12

PUBLIC RECORD OFFICE KEW

Tests by the Health and Safety Executive on the air conditioning system indicate that the problems at Kew are caused by bacterial contamination, a period of low humidity and a serious deficiency in fresh air intake to the building.

Disinfection of the system and cleansing of all air ducts must be completed before Kew can reopen. This work will take some weeks. Public services should be resumed by late May. Enquirers may telephone:

01-405 0741



SIKHS SPLIT: The alarmingly coordinated attack by Sikh terrorists in which more than 30 railway stations were set on fire early yesterday contrasts strongly with a public quarrel between two religious leaders at the head of different wings of the Sikh protest movement.

Sant Harchand Singh Longowal, seen (second from the left) above at prayer with his armed guards in the historic Golden Temple in Amritsar, is the official leader of the agitation. He has attacked Sant Jarnail Singh Bhindranwale, the inspiration for the extremists.

Sant Longowal's hurt criticism

followed publication of a pamphlet bearing Sant Bhindranwale's picture, which bitterly attacked the other's more moderate leadership.

Sant Bhindranwale has disowned the pamphlet, but the dangerous lengths to which such divisions can rapidly go is shown by the assassination on Saturday of one of Sant Bhindranwale's close followers.

Mr Surinder Singh Sodhi, a known terrorist, was coolly shot between the eyes while having a cup of tea at a cafe in Amritsar. After the killing the attackers grabbed his revolver and themselves ran inside the Golden Temple, the Holy Shrine of Sikhism.

where many of the followers of both saints have sanctuary.

The 30 railway stations attacked are situated in nine of the 12 districts of Punjab state. The aim of the attacks, which informed sources quoted by the news agency United News of India attributed to the banned Sikh Students' Federation, was plainly to disrupt transport in the troubled state as much as possible. It follows a number of incidents when fishplates have been removed from railway lines, causing trains to crash, in some cases with considerable loss of life.

Feature, page 12

A touch of class for the Prince

From Ivor Davis Los Angeles

The wife of a prominent Beverly Hills politician this week claimed that the British were importing their class system to a celebrity-studded banquet, at which Prince Andrew will be the star attraction by scaling the ticket down from \$1,000 (about £700) to \$250.

The Prince, who was arriving in California last night for a four-day private visit, crowded with public events, is due to appear at the Beverly Wilshire Hotel on Wednesday night at a banquet to raise funds for the British Olympic team. Michael Calne is host, Julie Andrews and Sheena Easton will perform and Cary Grant, Roger Moore and Sean Connery will also participate.

But what draws the ire of Mrs Rose Norton, wife of the Beverly Hills mayor, Mr Ben Norton, is the fact that the British Olympic Organization USA, established in 1982 to raise money for the British team, has different ticket classes - \$1,000 for the gold circle, \$500 for the silver and \$250 for the bronze. And Prince Andrew is only expected to meet guests at a gold circle cocktail party.

"I think it's very naughty that the British are importing their class system to California. They're virtually saying: 'Pay \$1,000 and you'll meet the Prince. If you buy a bronze ticket, we'll forget it.'"

Mr Anthony Thompson, chairman of the organization, said: "No member of the Royal Family is for sale and we're sophisticated enough not to fall into a trap like that."

"It is my belief the Prince will attend the cocktail party for those who have bought gold circle-tickets which entitle them to a cocktail party. Everyone in the banquet hall will see the same show and eat the same food."

Assad deputy angrily denies rumours of power struggle

From Robert Fisk, Damascus

Syria's Vice President yesterday blamed both Israel and America for the continuing bloodshed in Lebanon, and the failure of the Lebanese reconciliation conference in London, adding that the Soviet Union "should have a role in the maintenance of security and peace" in the Middle East.

In an interview with *The Times*, Mr Abdul Halim Khaddam repeated Syria's insistence that its army will not leave Lebanon "until the withdrawal of the last Israeli soldier from Lebanese territory", and angrily dismissed rumours of a power struggle in the Syrian leadership as "illusions created by those who wish to see Syria weak".

Mr Khaddam is a short, stocky figure who normally exudes good humour even at the most difficult of times but when I met him, in his office in the Foreign Ministry, he unusually presented a bleak political landscape in which Lebanese militias had still failed to grasp the reality of their country's predicament and in which the Arab nations remained totally unable to bring the Gulf War to an end.

Israel, he said, used American economic and military assistance "to commit acts of aggression against other countries" and the independence of the Arab states was thus only guaranteed by their own unity and by cooperation with the Soviet Union.

The Russians supply all Syria's military equipment, including the sophisticated network of anti-aircraft missiles on which Syria relies in the event of an Israeli attack.

"The Soviet Union is a superpower... and it is natural for the Soviet Union to have a role in the maintenance of security and peace in this region," Mr Khaddam said. "Therefore the Soviet role must be balanced and parallel to the American role. The bigger the American role becomes, the

bigger the role of the Soviet Union should be."

Israel, he said, had received "a major political defeat" when the May 17 treaty with Lebanon had been abrogated and as a result it wished to impose any national reconciliation in Lebanon.

Mr Khaddam indicated however that Palestinians would be permitted to go on making claims in Damascus.

"Why should we prevent them?" he asked. "If they made such statements through the British media, would the British Government prevent them from doing so? We shall not prevent them."

When I asked Mr Khaddam why President Assad had appointed three vice-presidents in Syria, one of whom is Mr Khaddam, and whether this had anything to do with reports in Arab newspapers of a power struggle in the Syrian leadership, he replied: "These are illusions created by those who wish to see Syria weak. The regime in Syria is strong, led by a party which has its roots in the people and whose secretary-general is Hafez el-Assad. The recent changes came within the framework of improving the conditions of work."

Asked to be more specific and to say if he was the first vice president, Mr Khaddam responded: "This is a new experience in Syria... anyhow, his excellency the President will specify the duties of his vice-presidents. I consider these to be unworthy questions."

When I asked him how long Syria would go on supporting Iraq when Iran's soldiers were on Arab territory, he replied: "Since the very outset of the Gulf War, we opposed it because we realized the risks and dangers of war on Iraq, Iran and on the whole area."

"Unfortunately, however, the efforts we exerted together with some other Arab countries to help put an end to the war at that stage failed... afterwards, new factors emerged to complicate the situation. The Iraqis have announced many times that they have no regional designs or ambitions in Iraq."

Mr Khaddam also blamed "a particular party" in Lebanon, presumably a reference to the Phalangists, for assuming the authority of the state by levying taxes and imposing its own laws and for preventing the restoration of a central government in Beirut that would "put an end to the mini-states produced by the war."

After Palestinian groups in Damascus claimed responsibility for two attacks in Israel and the occupied Gaza Strip which left more than 50

civilians wounded and a woman soldier dead, Israel described Syria as a "centre for terrorism".

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European Notebook Coping with the great Eurobore

M Claude Cheysson seems to adopt a particularly bored expression when British journalists ask him about the EEC budget problem. It is boredom with a snarl at the edge, which certainly seems to sum up the present attitude of the French Foreign Minister to the question. He has been using it increasingly of late.

Because the new style of negotiations chosen by the French presidency of the community is to lie back and apparently do nothing. Everything in the community garden is fine. The past week has even seen agreement on harmonizing the EEC law-mower. If 10 nations can agree on common noise levels for motor mowers, they can agree on anything.

This laid-back style is no more than a negotiating stance. After the systematic, intense build-up to the last summit, and the outrage and fury which isolated Britain after the summit has come the calm reasonableness of the world statesman.

But underneath, the calm must lie an acute awareness that, however isolated, Britain is still in the driving seat. This year, according to the latest optimistic commission estimates, the Community will need as much as £600m more than it can raise. In the future it must have more money than it can legally raise at present.

If it is ever to get that money Britain must agree to a budget deal. For all that everybody is now seeming to lean back, whistle, and wait for somebody else to make the next move, there is an acute awareness that the time and the money are running out. The British line is to stick stoically to its guns. Mrs Thatcher has made two enormous concessions since the start of the European summit in agreeing to a lower figure for calculating the budget deficit and in agreeing to demand a lower start price for a new payment system.

The position of the other nine - and since Ireland was bought into the group with a special milk deal the nine are very united - is that Britain has to move further. With the European Parliament elections looming in June nobody is yet

prepared to give way and so risk losing votes.

The Commission is meant to be trying to smooth the way. Later this week it is to produce its ideas on how the £1,600m gap is to be met. It will mean either passing round the hat, raising a loan or requiring member states to forfeit the administration money the Commission allows them to keep out of EEC taxes.

There are no other legal ways the money can be raised at present, and the only way of making them legal is by unanimous agreement - which Britain will certainly not make possible until its major claim is met, Mr Gaston Thorn, the Commission President, admitted as much last week in a speech when he said that Britain had to be satisfied before the debt could be met.

Given this stranglehold, the present tactic, as expressed by M Cheysson, appears to be to pretend that the grip does not exist. Europe is progressing well, he says. There is one small problem remaining which involves only one member state out of the ten. A settlement is on the table and when the one member state is ready to pick it up then everything will be sorted out.

There is no panic of any kind. There is boredom with the question. Meanwhile Europe of the Lawmowers (and of the road drills, pressure vessels and the like) is growing. There is increasing talk of Europe as an equal partner with the United States inside Nato. It is impossible to hear M Cheysson at present without coming to the conclusion that all is (almost) well in the European world.

And while the nine sit back and wait, Britain is doing the same thing. Experts agree that the Community will probably not run short of money until October and given the commission's panels of experts it might well be very possible to judge the economic issue into next year. M Cheysson and Mrs Thatcher may well be right to do nothing.

But all the time the EEC is losing credibility in the world.

Ian Murray

Close win for Hart in Arizona

From Christopher Thomas Washington

Senator Gary Hart narrowly won the Arizona primary on Saturday, capturing 47 delegates against Mr Walter Mondale's 15. It was not an impressive performance in a state where he had hoped for a decisive victory to reintegrate his flagging campaign.

In the South Carolina caucus he was runner-up to the Rev Jesse Jackson, who scored his first outright win by taking 17 delegates to Mr Hart's seven and Mr Mondale's six. It is Mr Jackson's home state, with a heavy black population. He captured only a smattering of white votes, as usual.

Although Arizona sends only a small number of delegates to the Democratic National Convention in July, its importance to Mr Hart was symbolic. He is relying on the southern and western states to offset Mr Mondale's victories in big industrial states like New York and Pennsylvania. Mr Mondale's campaign managers were delighted yesterday that they had held Mr Hart to such a narrow victory.

Mr Jackson captured one delegate, which is better than he might have expected since the state has a black population of only 1 per cent. Seven uncommitted delegates were elected. Mr Hart now trails Mr Mondale in the delegate race by about two to one.

The first big western battle will be for Texas on May 5, when 200 delegates will be at stake. Mr Hart appears to be much more at home in the west than the industrialized east. Speaking to several thousand students on the palm-tree covered campus of the University of Arizona in Tucson, for example, he took off his jacket, rolled up his sleeves and delivered an off-the-cuff speech with unusual vigour.

He said: "These are states that do not have the old-line deep-rooted party establishments that help Mr Mondale. There is more openness to new leadership and new ideas here."

Mr Mondale, although refusing to accept the title "front runner", is showing increasing signs of confidence. For the first time in six weeks he will take a few days off next week. Those who have followed him on the campaign trail say he has repeatedly cancelled trips home, added extra visits to an already packed itinerary, and lost a lot of weight.

Asked if he was tired he said: "I have never been more rested in my life. And if you buy that I have some costume jewelry I want to sell you."

Jury chosen for trial of De Lorean

Los Angeles - After five weeks of questioning, a jury of six women and six men has finally been selected to begin the trial here on Wednesday of Mr John DeLorean on cocaine trafficking charges. Expressing satisfaction, Mr DeLorean said: "They're good people. I love them all."

Robert Takasugi turned down defence requests for hearings concerning the seizure of some tape recordings by James Hoffman, a government informant and admitted perjurer (our Correspondent writes). The prosecution says they were erased by accident.

Vietnam War's unknown soldier

Washington (Reuters) - The Defence Secretary Mr Caspar Weinberger announced that the remains of an unidentified United States serviceman from the Vietnam War had been selected for burial at the Tomb of the Unknown Soldiers at Arlington National Cemetery.

In 1973 Congress directed the Pentagon to inter the remains of an unknown serviceman at Arlington but officials said that because of new scientific identification processes it had been difficult until now to find one who could not be identified.

Ex-leader freed

Namery (AFP) - Mr Hamani Dion, president of Niger from 1960 to 1974, has been released from house arrest as part of an amnesty for 40 people jailed after the April 1974 coup and an August 1975 "plot" against the military regime.

Press battery

Lausanne (AFP) - Two bodyguards of President Mobutu of Zaire beat up a press photographer who sought to take a picture of him near here, the daily *La Suisse* reported.

Embassy moves

Jerusalem (NYT) - El Salvador officially moved its embassy from Tel Aviv to Jerusalem, joining Costa Rica, the only other country with an embassy here.

Space mission

Moscow (AFP) - The Soviet Union successfully launched a space ship, Progress 20, which is to transport food and supplies to the Salyut 7 orbiting space station.

Belated killer

Lille (Reuters) - A Frenchman and his 18-year-old son died after piercing a German poison gas canister left over from the First World War.



China-watching: Elizabeth Taylor and her companion, Señor Victor Luna, a Mexican lawyer, visiting the Great Wall yesterday.

Falkland offer 'unacceptable'

From Douglas Tweedale, Buenos Aires

Britain's suggestions for normalizing relations with Argentina, severed since the Falklands War in 1982, are "unsatisfactory" and "unacceptable" to Buenos Aires, a leading Argentine newspaper reported yesterday.

Quoting "high diplomatic sources" in New York, the daily *Clarín* said that the latest British ideas in an exchange of

notes that began earlier this year do not meet Argentine expectations because they leave aside the issue of sovereignty over the Falklands which is central to the Argentine position.

The Foreign Minister, Señor Dante Caputo, and most of the top diplomats dealing with the dispute have been in the United States on a week-long trip aimed to building closer ties

with Washington. Señor Caputo was due to return yesterday.

Clarín revealed that the British proposal delivered on April 6 "reiterates the four points of its initial suggestion", which suggested restoring commercial and trade relations, renewing direct air flights between the two countries, and allowing the repatriation of the bodies of Argentine soldiers

Secrets case engineer alters plea

San Francisco (Reuters). James Harper, an electronics engineer accused of selling US missile secrets to Poland for more than \$250,000 (£166,000) has changed his plea to guilty after an undisclosed agreement with investigating authorities.

Mr Harper, aged 49, from the "Silicon Valley" high-technology area near San Francisco, was arrested last October and accused of selling highly sensitive information on the US Minuteman intercontinental ballistic missile to Polish agents who passed it to the Soviet Union.

At a brief court hearing, he said through his lawyer he wanted to change his plea to guilty to the main spying charge against him.

Judge Samuel Conti declined to accept the plea immediately.



A CAT'S EYE VIEW OF THE NORTH SEA.

We first dipped our toe in the North Sea nineteen years ago with the drilling of our first exploration well.

We then took the plunge and began the development of North Sea oil and gas.

A programme of Esso investment started which to date has reached £3,500 million.

A series of achievements resulted which has helped Britain become more than self-sufficient in oil and a major gas producer as well.

1984 sees Esso continuing its massive investment programmes.

This year alone Esso capital and operating expenditure will exceed £1,000 million, 85% of which will be spent in Britain, supporting around 40,000 jobs...

Our exploration and appraisal drilling will be almost twice the record level achieved in 1983; and we will drill a wildcat well West of Shetland in the deepest water ever drilled in the UK sector...

New pipelines will be constructed; marketing terminals will be modernised and automated; new refinery technology will be introduced meeting the changing requirements of our customers and preparing for the reduction of lead in petrol; and more new flagship stations will be added to our retail network—the finest service station chain in Britain...

All this is happening in 1984.

But what of the future?

Huge investments are required to help maintain self-sufficiency in oil for Britain and meet our customers' needs up to the year 2000 and beyond.

By the end of 1990 alone Esso expects to invest a further £4,500 million in Britain.



SPECTRUM



"Our lack of perception derived not from a failure of information but from a failure to interpret correctly the information available to us. We were looking down the right telescope but were focused on the wrong target. Here I blame myself unreservedly": Sir Anthony Parsons.

How I got it wrong on Iran

From 1973 to 1979 Sir Anthony Parsons was the British Ambassador in Iran, in charge of relaying to London the likely outcome of the pressures facing the Shah. But he and the rest of the Diplomatic Corp failed to read the signals correctly. In an unusually frank account of a diplomat's relationship to a head of state, Sir Anthony looks back on the mistakes - his own and the Shah's. He begins with the Shah's decision to liberalize his rule after the election of President Carter in 1976.

The Shah made no secret of his apprehension at the victory of President Carter in the elections of November 1976. He had never been comfortable with Democrat Presidents, who were more disposed than their Republican counterparts to inject a moralising element into the formulation of American foreign policy. Needless to say the reaction of the Shah's opponents was precisely the reverse. They took comfort and courage from what they rightly detected as a potential weakening of the absolute support which their enemy had received from Washington for so many years.

In retrospect it is astonishing that the Shah should have chosen this moment to initiate a perceptible liberalisation of his regime. Many people argued at the time and subsequently that this liberalisation was the direct result of pressure from the Carter administration. I did not accept this theory then and I do not now. In fact the first, faint glimmers of liberalisation were discernible in late 1976, two or three months before President Carter's inauguration. I have no doubt that the Shah, with his usual opportunism, appreciated that a more humane and democratic attitude on his part would endear him to the new President and defuse American pressure against him; but I do not believe that this was his primary motive.

I have never fully understood why, in terms of his own survival, so shrewd a man as the Shah should have chosen a time to liberalise when his economic and social promises to the people had fallen far short of fulfilment, when the political and social morale of the population as a whole was depressed, when the regime seemed to everyone to have lost the initiative in its bid for the total transformation of Iranian society, when the bright horizons of which the Shah had boasted as being near at hand were receding far beyond reach. A less propitious time for a loosening of political control could scarcely be imagined.

My tentative view then, and I have not revised it with hindsight, was that the Shah's decision was based on the following factors. In 1976, he had been talking more frequently in private about voluntary abdication. His idea was that he should step aside, perhaps in the mid-1980s, in favour of his son while he himself was still capable of exercising a controlling and stabilizing influence behind the scenes during the difficult period of transition. He was aware that his own power was narrowly based, resting as it did on the loyalty of the armed forces and security services. This would not do for his son and for the perpetuation of the Pahlavi dynasty. He had tried to create a broader political base with the Rastakhiz Party but it had failed to get off the ground, and did not look like rising above the parish pump level of local politics.

Time was beginning to press on the Shah (in retrospect he must have had

his own illness much on his mind) and he needed to take a fresh political initiative in order to secure his son's heritage. He had tried in turn direct rule, a multi-party system, and a single party; none had succeeded. Why not therefore slacken the reins and see what happened? Perhaps some acceptable political pattern might emerge spontaneously without direction from on high. Such a policy would carry with it the bonus of pleasing the new and uncertain American President as well as deflecting mounting criticism in Western Europe. If it worked, well and good. If it did not, then it would not be difficult to pull in the reins again (such was the Shah's confidence in his ability to manipulate the internal political scenery according to his wishes.)

As was normal in the secretive world of Iran, nothing was said publicly by the government. But, as 1976 turned to 1977, it became noticeable that, by the rigorous standards of the previous few years, there was a new atmosphere of greater political freedom, as well as improved treatment of those opposed to the regime. About 1,000 prisoners were amnestied in batches on appropriate occasions such as the Persian New Year and the Shah's birthday - including a large number of political detainees.

Cyclostyled letters began to circulate, signed openly by lawyers, writers, academics, and members of the old National Front political parties. These letters were severely critical of the policies and performance of the regime and suggested remedies. Nothing happened to the authors and, in turn, the sermons from the Friday mosques became more strident and overtly hostile to the Shah's policies of modernisation, and even to the dynasty itself. Again there were no arrests, no acts of retaliation by the authorities, at least for the first ten months or so of the year.

These faint breaths of political fresh air were not matched by any improvement in the economic situation. The after-effects of the boom seemed to be beyond correction. Inflation was again running very high, perhaps around 30 per cent a year, a worse figure than that for 1975 or 1976. The government's



I present my letters of credence to the Shah, March 1974

projects for low cost urban housing, particularly in Tehran, had collapsed and been abandoned. The conditions of the poor in south Tehran had become scandalous.

But even as the economy continued to falter, I took some comfort from the more open atmosphere which prevailed in the first half of 1977. It was a relief to hear ministers, factory managers and industrial entrepreneurs making no bones about the difficulties they were experiencing with shortages of labour, the power generation crisis, with overproduction of certain products for markets which had not materialised, with high unit costs and poor quality control. This was a welcome change from the bragadocio of earlier years, the arrogant confi-

dence that all would be well if Iran continued to expand, the bogus M.I.T. theorising and dreamlike statistical constructs.

I began to feel that this new realism must be a healthy development and that, if combined with greater political freedom to participate in the running of the country, if only through the freedom to criticise Iran might be about to enter a more stable and orderly phase of progress, as opposed to the hectic frenzies of the boom and the malaise which followed its end.

Nevertheless, we were conscious in the last few months of the year that the Shah was grossly mishandling the new political situation which he had allowed to develop. By permitting greater freedom of expression he had,

The procession that never was

The propaganda machine went to Orwellian lengths to sustain the myth of the Shah's mystical union with his people and to disguise the reality of his remoteness. Television was an invaluable aid to this deception. It was not until early 1976 that I realised what was happening. My wife and I were attending the ceremonies at Reza Shah's mausoleum to commemorate the fiftieth anniversary of Pahlavi rule. The Shah and the Empress arrived, as usual, by helicopter, landing about 200 yards away from the mausoleum. We heard a short burst of applause

and, about two minutes later, the imperial couple walked past us and mounted the steps of the mausoleum. The ceremonies took their course. Then we left and were driving back to Tehran I noticed to my astonishment four horses' heads peering out of what looked like an enormous Black Maria. "SAVAK have started arresting horses, it seems," I said to my wife. A little further on we passed a tank transporter carrying a state coach wrapped in a large plastic sheet. "How odd," I remarked, "the Shah and the Empress

must have walked from the helicopter; it was only a hundred yards or so." When we got back to our house we watched the whole ceremony on television. I was nonplussed to see the Shah and Empress driving in an open coach for what seemed many miles, flanked on both sides by cheering crowds! It was of course a sham: they must have driven in the coach for about fifty yards before they walked up the steps of the mausoleum. But, for the millions of television viewers, quite a different impression was created.

in effect, invited his people to open a dialogue with his regime. But when they did so by means of the open letters which were signed, not by communists or radicals of the right or left, but by respectable and respected members of the Iranian academic and professional establishment, they at first received no response - their reasoned criticisms of government policy were simply ignored.

Then, in the late autumn, the newly active political groups were physically attacked and beaten up by spontaneous patriotic elements and mysterious bomb explosions took place in the offices of people who had dared to criticise the regime. Peaceful demonstrations and meetings were broken up by club-swinging thugs, and individuals, including women, were waylaid and beaten on their way to or from political meetings.

I blame myself for not speaking to the Shah about this crass reaction to the response to his policy of liberalisation. It was not as though his loosening to the reins had evoked the forces of "black reaction" or "red revolution", his favourite bogeys. As I have said, the first manifestation of the new political freedom came from the moderate, centrist opposition. Why then react first by ignoring them and then by thinly disguised state violence? Towards the end of the year, my staff pressed me hard to have this out with the Shah. They argued that I knew him as well if not better than any other foreign Ambassador and that my careful avoidance of interference in Iranian internal affairs had given me a fund of credit with him on which I could well afford to draw at such an important moment. They were right. But I did not act.

As bad luck would have it, our relations at the end of 1977 were in a peculiarly delicate state thanks to a corruption trial in London involving a serving British officer in which damaging allegations about the Shah were emerging in public. I was seeing the Shah frequently about the unfolding of this trial and was having a difficult time of it. The last thing I wanted was to add another bone of contention to my dialogue with the Shah. So I let the chance pass. It would almost certainly have made no difference if I had spoken, but the fact that I did not will always lie on my conscience.

Physical attacks on the moderate opposition were not by any means the only piece of dangerous buffoonery perpetrated by the regime in an atmosphere of rising ebullience. The Shiraz Festival of 1977 excelled itself in its insults to Iranian moral values. For example, a play was enacted which

represented, as I was told, the evils of military rule and occupation. One scene, played on the pavement, involved a rape which was performed in full (no pretence) by a man (either naked or without any trousers, I forget which) on a woman who had had her dress ripped off her by her attacker. The denouement of the play, also acted on the pavement, included a scene where one of the characters dropped his trousers and inserted a stage pistol up his backside, presumably in order to add verisimilitude to his suicide.

The effect of this bizarre and disgusting extravaganza on the good citizens of Shiraz, going about their evening shopping, can hardly be imagined. This grotesquerie aroused a storm of protest which reached the press and television. I remember mentioning it to the Shah, adding that, if the same play had been put on, say, in the main street of Winchester (Shiraz is the Iranian equivalent of a cathedral city), the actors and sponsors would have found themselves in trouble. The Shah laughed indulgently.

Perhaps the saddest irony of 1977 was President and Mrs Carter's one-night visit to Tehran on New Year's Eve. Accompanied by an entourage of about 500 officials, journalists and security men, the Presidential visit was intended to consummate the restoration of full confidence between the Shah and the American administration following the queasiness which had characterised Iran-American relations since January 1977. The great banquet at the Niavaran Palace was ostensibly private but the text of President Carter's after-dinner speech was widely circulated.

I do not know who wrote his speech - my friends in the American Embassy loyally refused to tell me on New Year's Day - but its fulsomeness was breathtaking. I will gloss over the embarrassingly mawkish personal references and only mention that the President warmly lauded the Shah's Iran as an oasis of peace and stability in a troubled region and referred in glowing language to the love of the people of Iran for their Shah. Certainly the Shah could not have complained on that night of any trace of coolness in American support for himself and his dynasty.

The Pride and the Fall by Sir Anthony Parsons is published by Jonathan Cape on April 26th, price £8.95.

Tomorrow:

face to face in the Shah's final days

Putting exports before politics



By the end of 1975 I had, with the approval of the Foreign Office, reorganised the Embassy staff to meet our priorities. First came export promotion in all its aspects - dealing with the flood of business visitors and commercial enquiries, helping to organize trade promotions and trade delegations, seeking new commercial opportunities and feeding them into the export promotion machine back home. So the core of the

Embassy became the commercial section.

With the limitations on manpower which afflict all government departments in most countries, this left me with a relatively small political section. To be fair, Iran was so important to Britain that, had I made a case for political reinforcements, I would probably have got them; all my requests for expansion of the commercial section of the Embassy were met, notwithstanding the pressures on public expenditure in Britain in the 1970s. The fact is that, rightly or wrongly, I was satisfied,

It was one of my cardinal elements of my policy to normalize relations with the Shah and his government and, by the same token, to lay the ghost of British interference in Iranian internal affairs. I therefore went out of my way not to use a number of obvious British sources for information gathering.

In Tehran there was a thriving community of bankers, entrepreneurs, teachers, accountants, businessmen, etc. I and my staff had ample reason to travel throughout the country to visit the British communities in the provinces. But we did not

use these people as "agents" in the technical sense of the word.

Study of the internal political situation in Iran was an important, but subsidiary activity; important because we needed to report accurately to London and to give sound advice to potential British exporters and investors; subsidiary because, in my judgment, a major effort would only endanger our relationship with the regime without providing compensating advantages in terms of additional information beyond what we could acquire by open observation and the use of our experience.

Sunshine by helicopter

A week ago I took my first trip in a helicopter, an event which impressed me so much that I intend to tell you all about it. Those of you who are blasé about such things - a minority, I hope - can switch off now.

The route was from Amersham to Leicester at night, across the great central rolling plains of England. Nobody, as far as I know, has ever flown from Amersham to Leicester before and our pioneering journey was made necessary only by the fact that instant Sunshine, the cabaret group in which I play double bass, had mistakenly agreed to play two engagements at the same evening: one at Amersham, for their enterprising new festival, one at Leicester, for the annual shindig of the Royal College of General Practitioners.

After vainly trying to wheedle our way out of either job, we honourably undertook to do both, which could be managed only by hiring a helicopter. Thus it was that at 9 pm last Saturday we were taking a final bow in the Amersham Community Centre, at 9.02 pm running across the car park and wrapping guitars at the same

time, and at 9.15 pouring out of our cars at Raan's Farm, where the chopper was due. There was no sign.

"Not here," said the farmer. "This is my front drive. In the field, round the back." Back in the car, through the barns and into the field at the back where a tall figure strode towards us out of the dark.

"Hello, chaps," said the figure. "I'm your pilot from Cabair, Bob Thomson." It was at that moment I stopped being terrified. You could tell from his voice, even if you couldn't see his face, that he was square-cut, lean-featured and utterly trustworthy. Even the name was right. I hoped he had a helicopter with him.

"OK, chaps," said Bob. "Let's pile in. Guitars on laps, I'm afraid."

"Just a moment!" cried another voice. "Could you all stand in front of the helicopter for a photo?"

It was the man from the Bucks Free Advertiser, that fearless organ. We stood in the pitch dark, smiling like four Amy Johnsons in dinner jackets towards where we thought he was. There came a blinding flash.

"Well, bang goes my night vision," said Bob. "Hop in anyway."

We hopped in to something like a small family saloon, and waited while Bob warmed up the machine, which consisted of flicking lots of switches in the ceiling and staring at dials. Even before we left the ground, our different characters came out

moreover... Miles Kingdon

under stress. Alan, on one side of me in the back, became very excitedly garrulous. David, on the other side, went quiet and philosophical.

"How on earth will he be able to distinguish between Leicester and Northampton in the dark?" worried Alan.

"Who knows?" said David.

"Who can tell the difference in daylight?"

"Shouldn't we make for the M1, then follow it up to Leicester?" said Alan.

"Shut up, Alan," said David. "I always wanted to be a pilot when I was young," said Alan to nobody in particular, and then shut up.

While I was musing over the idea of a pilot who could only steer by motorways, and the trouble he would have getting round London on the M25, David leant over to me - this involved a movement of about two inches in that space - and said: "We've taken off."

So we had. The grass below us had moved a foot lower, and we were drifting across it. A fence came out of nowhere and

we just cleared it. Some trees tried to hit us, but failed. Suddenly we were higher than the highest Chiltern and the whole of Buckinghamshire was spread out before us like a twinkling pin-table game.

(Tomorrow: Bob gets out a map and a torch, we overfly Towcester and Alan wonders when the duty-free trolley will come round.)

CONCISE CROSSWORD (No 319)

ACROSS
1 Electronics wafer (7,4)
9 Spanish princess (7)
10 Twist (5)
11 Hawthorn (3)
12 Hip bone (4)
16 Hill (4)
17 Surgical rasp (6)
18 Write down (4)
20 Transporters' union (6)
21 A.I. (1)
22 Long journey (4)
23 Medieval Chinese dynasty (4)
25 Wager (3)
26 Extreme (5)
27 Great circle (7)
28 Book record (7,4)

DOWN
2 Instill firmly (5)
3 Charged atoms (4)
4 Celtic writing (4)
5 London business district (4)
6 Frighted woman (7)
7 Interpret wrongly (11)
8 Underhand dealing (11)
12 Authorized business (6)
14 Dismissal (3)
15 Deceased's property (6)
19 Play place (7)
20 Male cat (3)
24 Sudden stroke (5)
25 Brass group (4)
26 Fork-tailed seabird (4)
27 Rounded (4)

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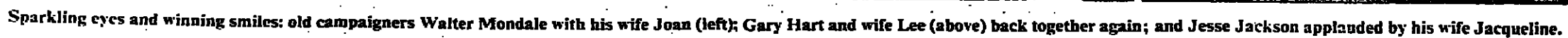
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In New Lessons for Headteachers (Wednesday Page, Feb. 22), certain statements were attributed to me which might have been taken as a reflection upon my predecessor and past and present members of staff.

through condensation of a long and detailed interview, the wrong impression may have been given about my staff and my predecessor. If I used word "neglect" in the interview, it was certainly in the context of the fabric of the buildings and was in no way intended to cast reflection on my predecessor. In any event, I would not have wanted to be critical of my predecessor or past and present members of staff for whom I have a high regard.

adults. Unless, while I was writing the last paragraph, the scene-shifters were brought in again. the drama we may now be embroiled in could be the one known as the Deirdre McSharry phenomenon. Deirdre McSharry is the editor of *Cosmopolitan* magazine and her wit glints as brilliantly as her auburn curls. For some time, she's been suggesting that men

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**BRITAIN AT ITS BEST.
FOR 75 YEARS.**

THE ARTS

Bryan Appleyard meets Juliet Stevenson (left), who opens in *Measure for Measure* at the Barbican tomorrow

A rebellious itch to put Isabella into perspective

Juliet Stevenson speaks with a rapid and occasionally agonized eloquence. Narrative and ideas flash past as she recounts her life and the odd significant scene suddenly springs into sharp relief. As a child, for example, she was brought up in a variety of army homes across the world. Her father was an officer so their accommodation usually contrasted sharply with that of the lower ranks - "People lived in some really awful buildings and I never really understood why. I used to draw long rows of tiny houses with me right in the middle. I never wanted to be in houses apart from people."

Later, when she went to RADA, she was crippled by a lack of confidence, a feeling she submitted into defiance. She dropped around for most of her first year in old clogs and dirty jeans, with her hair hanging across her face. Teachers she treated with sullen incredulity.

Then, on joining the Royal Shakespeare Company, she plunged straight into union affairs and found herself at the age of 22 facing Trevor Nunn across a table attempting to explain to him why all the actors would be on strike the following week - "The man is a brilliant arguer. I had absolutely no experience and he just demolished all my arguments. I should never have tried."

This persistent, rebellious itch has never left her but somehow she has managed to incorporate it into her success. After the clogs phase at RADA she went on to become a star pupil, winning three awards. And at the RSC she is about to make what should be a triumphant debut at the Barbican with her performance of Isabella in *Measure for Measure*. At Stratford, under Adrian Noble's direction, it was one of the successes

of the season. Yet it was a part she almost turned down.

"I'd left the RSC in January '83, resolute that that was really the last time. I worked at the Royal Court and did a string of offies and then this came up in August. I was very torn but instinct always wins out and I very much wanted to work with Adrian Noble. I'd always resisted this linear career thing at the RSC. I wanted to develop laterally. But it's really easy to get labelled and categorized."

But there was a wider professional consideration behind her decision to take the part. Men can go on playing Shakespeare leads until their dotage; women, in contrast, begin to run out of possibilities at around 35 so, like it or not, Stevenson is trapped by her own success in the classical roles. In the event the collaboration with Noble took off. She fitted neatly into his rehearsal style, in

which actors are encouraged to speak out and to consider the play as a whole.

"It's wonderful. The issues are endlessly interesting and more and more relevant. Isabella is absolutely her own woman. She exists in her own right. She is an initiator. She is as articulate as all the male characters in the play." The feminist/socialist theme is one she returns to constantly. It resurfaces in her desire to act in drama co-operatives, to fulfil the ambition she nursed on leaving RADA - to work in left-wing theatre. Ironically, however, it was the RSC which enfolded her and drew her into the classical theatre.

"Right from the start I was a bit distrustful because the first thing that hits you is that it's a very hierarchical organization. And if you're at the bottom of the pile you can have a pretty tough time." So

she became a compulsive organizer. Apart from the union involvement she took five actresses from the company down to Greenham Common last autumn and, with Sheila Hancock, she once formed a women's writers' and directors' workshop. It all suggests acting alone is not enough.

"No. It's just that my ambition is to explore and develop in as many ways as possible. I used to think you just weren't valid unless you'd been selling newspapers at the factory gate before a nine-o'clock rehearsal. I don't believe that any more. Your main job is to express yourself through your work. With Isabella it worked. Through the years she has been denigrated by literary critics and directors too. The whole problem of her sexuality had been approached from a male position. But this time I really think something of what we

were trying to do got across."

It was a part which gave Stevenson, now aged 27, a major classical success at just the right time. Yet that suggests the kind of career structure against which she still compulsively battles. The RSC wants her to play *The Devils* for its next season but she has been auditioning for Yuri Lyubimov's version of *The Possessed*, which would play in London and Paris, and it is clear that the excitement and risk of working with Lyubimov would come before the relative security of the RSC.

So it remains an open-ended future and one of which she speaks fluently and excitedly, at times trembling with the pace of her thoughts and words. It becomes clear time and time again that the politics are no mere hobby; they are inseparable from her approach to work.

PUBLISHING

Controlling interest

James MacGibbon and Robert Kee founded the publishing house of MacGibbon & Kee after the Second World War. It was taken over by the Granada Group in 1956. Now it's back to the writer and broadcaster we know today and MacGibbon, to be a literary agent before becoming a publisher again. MacGibbon was a friend of the poet, novelist, illustrator and humorist Sieve Smith and, upon her death, was appointed her literary executor.

In the film *Stevie* he was portrayed by Trevor Howard, which may have been a boost to his ego. Before the film, he enthusiastically granted permission to two American academics, William McBrien (editor of the scholarly and critical *Twentieth Century Literature* journal) and Jack Barbera, to put together a volume of Sieve Smith's previously uncollected writings.

After the film was released, MacGibbon apparently had second thoughts, although Tom Maschler of Jonathan Cape was sufficiently keen on McBrien's and Barbera's book to want to publish MacGibbon's version. That Sieve Smith's work was complete in itself, and that a biography was neither necessary nor a good idea.

Why then has MacGibbon suddenly decided that, after all, there should be a biography but it should not be written by the two authors who have devoted much of the last decade to amassing material and obtaining interviews and the confidences of Sieve Smith's

friends? MacGibbon has decided that Frances Spalding should undertake the work. Without wanting to make comparisons with the antics of the Eliot estate, yet again it seems that any individual with a proprietary interest in a deceased author can forbid serious writers from indulging their discriminating enthusiasms.

Sir Charles Troughton, former chairman of W. H. Smith & Son, has been appointed a vice-chairman of William Collins. It is thought that he will supervise the enlargement of the Harcourt empire which Mark Collins was going to do before he decided to depart the family firm, and go off to join Weidenfeld & Nicolson.

The erosion of the net book agreement, *passim*. The serious and fashionable literary quarterly *Granta* - once a forum for Cambridge writing, still edited from there by Bill Buford, an American with an eye to international literary trends - has since February 1983 been published and distributed by Penguin Books. It may be purchased at £3.50 per issue from bookshops. Not one penny more, not one penny less.

The magazine is currently promoting itself with an enticing two-colour leaflet. If you subscribe for a year you will receive four issues plus "at no extra cost" two free Penguin Books. The writers include Martin Amis, William Boyd, James Fenton, Graham Swift, D. M. Thomas and other worthies. All, of course, published by Penguin. Whether the books are otherwise destined for the knacker's yard of the remainder merchants is not to be speculated upon.

The special offer continues: "I understand that, including postage, I am saving myself about £12 (unless I am subscribing for two or three years in which case I am not only saving as much as £27, but also protecting myself against inflation and rising postage costs)". Jolly good, and may Penguin and *Granta* thrive. But why can I not save about £12 rather than spend £14 by buying four successive issues of *Granta* in my local bookshop?

W. H. Smith & Son's staff newspaper reports that someone telephoned their publicity department to have confirmed or denied a rumour that staff at the Ormskirk branch wore bullet-proof vests over their uniforms. The dark brown "bullet-proof" vests proved to be body-warmers. Books are not yet as expensive or valuable as bullet.

E. J. Craddock

Dance

Rising expectations

The *Sleeping Beauty* Palace, Manchester

Common Ground Sadler's Wells

Who would have thought, when Robert de Warren took charge of the small, ailing Northern Dance Theatre seven years ago, that he would transform it so soon into a company able to tackle *Coppelia*, *Giselle*, *The Nutcracker* and now *The Sleeping Beauty*? Even in its new form as Northern Ballet Theatre, the company runs to only about 30 dancers including a handful of guests, so *Beauty* has to be a specially adapted version, but the production works remarkably well.

Robert Mead has staged Petipa's dances for the soloists and de Warren has provided new choreography where needed: mainly a couple of solos for Prince Désiré in the Vision scene, and a version of the Garland dance for Aurora's friends and suitors, accompanied by the godmother fairies and their cavaliers, and led by the King and Queen. The hunting scene has had to be omitted for lack of numbers and there are some elisions elsewhere, neatly bridged by the production.

The score has a good pedigree, being a revision by Alan Abbott (who also proves a sympathetic guest conductor) of the arrangement that Constant Lambert made for the Royal Ballet in its pre-Covent Garden days; one would like more opulence but there are no serious complaints. Visually, the settings by Michael Holt incline to a mauve Disneyland, with a medieval flavour in some of the costumes, but the dresses for the women soloists are attractive in cut, even if some of the colours glare.

There were no fewer than four Auroras during the opening week, two guests and two from within the company. With multiple ballet premieres in London, too, I was able to see just the two casts who appeared on Saturday afternoon and evening. The outstanding performer was Li Cunxin, on loan from the Houston Ballet: a soft, powerfully resilient bluebird at the matinee, and even better as the Prince in the evening, with a beautifully romantic commitment, brilliant dancing, and partnering that could be faulted only as being too spectacular.

His Aurora was Sui Kan Chiang, gentle and assured, although not always impeccable in line. The eastern influence (they are, both Chinese) was seen also at the matinee in the attractive Aurora of Yoko Shimizu, from Japan, who has joined Northern Ballet for a



period, partnered by the strong, stylish Olivier Munoz, who comes from France.

Peter Clegg makes Carabosse, the wicked fairy, sharp-beaked and corpulent (not unlike the way Ashton used to play the role); David Needham's reading of the same part is commandingly cadaverous. The Manchester audience, entering the spirit of the ballet, booted them both soundly at their curtain calls. Tanya Devonshire-Jones and Jayne Summers both

played the Lilac Fairy with charm.

Among the other soloists, Lianne Jonson's poised me look forward to seeing her as Aurora, and the general level was presentable: no startling revelations but an all-round standard that shows how far the company's expectations have risen. Having *The Sleeping Beauty* in the repertoire will challenge the dancers to continued effort as well as meeting the demands of regional audi-

ences for classical ballet. The production goes on tour throughout May and June and will come to Sadler's Wells in September.

At Sadler's Wells on Friday the Royal Ballet's fourth premiere in four days brought us Common Ground, Jennifer Jackson's first full-scale creation for the company. Like her fellow aspirant to choreography earlier in the week, Derek Deane, she chose a *Serenade* for Strings as the basis of her dances, but her

Romantic commitment: Sui Kan Chiang and Li Cunxin in *The Sleeping Beauty*

choice of Lennox Berkeley's proved much livelier and more distinctive than Deane's Suk.

The opening *Vivace* serves for some unusually jaunty dancing by her cast of eight, who during the Andantino begin to divide more into small groups. That leads to a lively trio for Karen Donovan with Michael O'Hare and David Yow to the Allegro Moderato, and a tender duet for Samira Saidi and Michael Batchelor in the music's final Lento. To round off the ballet, presumably with the composer's approval, the *Vivace* is repeated.

Jackson has taken a hint or two from Ashton in some of her dances, and from Robbins in the poses, as if for a photograph, that punctuate the early part, but she has found a manner of her own which, if sometimes apparently rather too consciously applied, is lively and likable.

The ballet shows off its dancers to advantage, especially the spirited team for the trio and the creamy sensuous Saidi in her duet. Ella Huhne's simple setting, well displayed by John Hall's lighting, is elegant, and the women's costumes, too. Unpretentious and individual, *Common Ground* marks a definite step forward from its choreographer's previous attempts in more sheltered circumstances.

John Percival

Theatre

The Complete Guide to Sex

Lyric, Hammersmith

Did you say complete? Well, having done Wagner's *Ring* in an hour and a quarter with a cast of two, the National Theatre of Brent would hardly shrink from whizzing us through the entire *Kama Sutra*, and, judging by what Jim Broadbent puts Patrick Barlow through as the Duchess of Calabria dragged from her Scabell board to be half-raped by Casanova, they have a few ideas in that line already.

But no; Barlow reminds us, when Broadbent is not mystifyingly sinking on in khaki for a Lil Marlene sketch that never happens, that this show is a purely therapeutic experience. However, despite a comforting reference to a Woodland Support Group for the neuroses of Snow White's dwarfs, and a daunting command for a hand count of spectators considering themselves deeply sexually abnormal, the promised Oedipus sketch is postponed to another time.

Subsequent forays into the private lives of Edward VIII, Michelangelo or rabbits have little in common except Barlow's buoyant insistence that the naked stage is *echt* Brecht.

"For hypnosis to have been known in Jesus's time is by no means improbable. Almost certainly the Egyptians used it." So said Ian Wilson, an author, in last night's Jesus: The Evidence on Channel 4, which many Christians may be watching as a kind of extra Lenten penance.

Probabilities, "almost certainly" occur frequently in this series, more antagonistic than agnostic. It might have appeared more appropriately under the title of another Channel 4 programme, *Diverse Reports*. So that thunderbolts may be loosed in proper order, it should be remembered, that Channel 4 are only uttering it: LWT are the producers.

Mr Wilson was theorizing on



Beyond the ingenuity of air traffic control: Patrick Barlow and Jim Broadbent as Beauty's Beast

suspended in mid-air, only to suffer panic-stricken plummet and elevations owing to Broadbent's innocent hand on the counterweight.

Andrea Durant, floating on imperceptibly as a Tchaikovsky swan or the lady who propels the comic with reins of ribbon in a perilous burlesque of *La Fille mal gardée*, is their supporting artiste - although supporting puts it the wrong way round, with both partnering her at a hopeful trudge or, in Barlow's case, retreating for fear life as she gathers speed.

Television

Still speculating

Jesus's casting out of unclean spirits. He drew a parallel with the modern psychiatric treatment of "possession" by hypnosis. We were then diverted to close-ups of a sufferer from ichthyosis, a kind of hardening of the skin, which can also be cured by hypnosis. It was not relevant but it gave an excuse for another harrowing visual. Quite a lot could have been left to our imagination, which the producer Julian Norridge obviously thinks so fertile, in this series. For one thing I could

have done without the crucifixion graphics. But last night's strangest manifestation was Professor Martin Smith, who teaches ancient history at Columbia. Dr Smith found a copy of a letter at a Judean monastery in the end-papers of a seventeenth-century book from Clement of Alexandria to "someone called Theodore". That was in 1958. Clement, it appears - and Dr Smith said the text was genuine - was quoting from a secret gospel of Mark's relating an

encounter between Jesus and a youth in a tomb and reassuring Theodore that rumours he might have heard that they were "naked together" were unfounded.

Dr Smith thought that such "secret nocturnal initiations" might have been hypnotic experiments by Jesus enabling disciples to share in his ascent to the heavens. It was frustrating to hear the commentary say that this "discovery and resulting theory is still to be evaluated by his fellow scholars" and "unless further corroborative evidence emerges, it remains an intriguing speculation". Which takes us back to where Mr Wilson started.

Dennis Hackett

Concerts

ECO/Leppard Queen Elizabeth Hall

The *Serenade*, written by David Matthews for the English Chamber Orchestra, and first performed by them in Jerusalem two years ago, made its first UK appearance on Friday. The orchestra, conducted by Raymond Leppard, played rather too much as if they had heard it all before; and they could hardly be blamed, for so, it seemed, had we.

Unpretentious, undemanding and "unmemorable": its arc of three short movements pays gentle homage to the Britten of the Sea Interludes, the *Serenade* and the *Nocturne*. Orchestration is as craftsmanlike and as truly and soundly "heard" as the work's palindromic arches are carefully constructed: tension is built and illusion cunningly created by the nudging stimulus of rhythm on timbre. There are times in the rhythmic dislocations of the spectral second movement or the pungent wind writing in the last when we almost have taken

off; but there never quite seems the need.

The rest of the evening was equally comfortable. The sense of *deja vu* continued as Mr Leppard, returning once again to his old friends, found from the start in Mozart's Symphony No. 21 in A, that point where generalized enthusiasm and near-complacency merge in genial affability; and he stayed there for the rest of the evening. Emanuel Ax is a fine Mozartian; but even in the G major K453 Piano Concerto he was tempted to make such a meal of the slow movement that the finale could barely get-up out of its seat. In the case of Mr Leppard's characteristic trampoline rhythms and rich-textured phrasing, the gloss was spread just too thickly and evenly. It was a sense of alert re-examination, of scale, and of distinctly individual idiom that was missing, too, in Schubert's Fifth Symphony. By the end of the evening it seemed that time, for composition and for performing style, had stood still for 10 or 15 years.

Hilary Finch

BBCSO/Pritchard Festival Hall/Radio 3

If there is a more sheerly musical violinist before the public today than Ida Haendel, I have yet to hear him or her. Haendel's qualities - an unobtrusively precise sense of style, a glorious freedom of phrasing, an acute feeling for the large-scale direction of a piece - are not ones particularly prized these days, when cold precision and bar-to-bar flashiness are idolized.

Her playing of Elgar's Concerto, the highlight of this BBC concert, was not always precise; it was a pity the climactic D flat of the slow movement was not quite a D flat, that some triple-stopping was missed, and other notes were lost or smudged. But Haendel's miraculously natural use of portamento (which showed just how much we miss when Elgar string playing is cleaned up) made sense of so many lines: it warmed the almost Parry-like comfortableness of the slow movement into passion - the central outburst, with every dynamic subtlety

observed, every flourish swept into place, took wing wonderfully, and the endless accompanied cadenza in the finale sustained its emotional intensity without respite.

In her freedom and suppleness of tempo, she set plenty of problems for her accompanists, and Sir John Pritchard did not always catch her at the crucial moment; but the playing of the orchestra had such sweep and sudden enthusiasm that it hardly seemed to matter.

The first half of the concert was a less inspired affair. It was a typical, neat BBC ploy to alter the usual overture-concerto-symphony plan by exchanging the last two, and welcome to hear Pritchard tackling Tippett's Fourth Symphony. But this was a desultory play-through, which went to sleep in the middle (though Pritchard successfully pulled it together again); interesting to hear the tubas duetting far away from the trombones. And Britten's *American Overture* was well worth forgetting about: breezy musical bricks without straw.

Nicholas Kenyon

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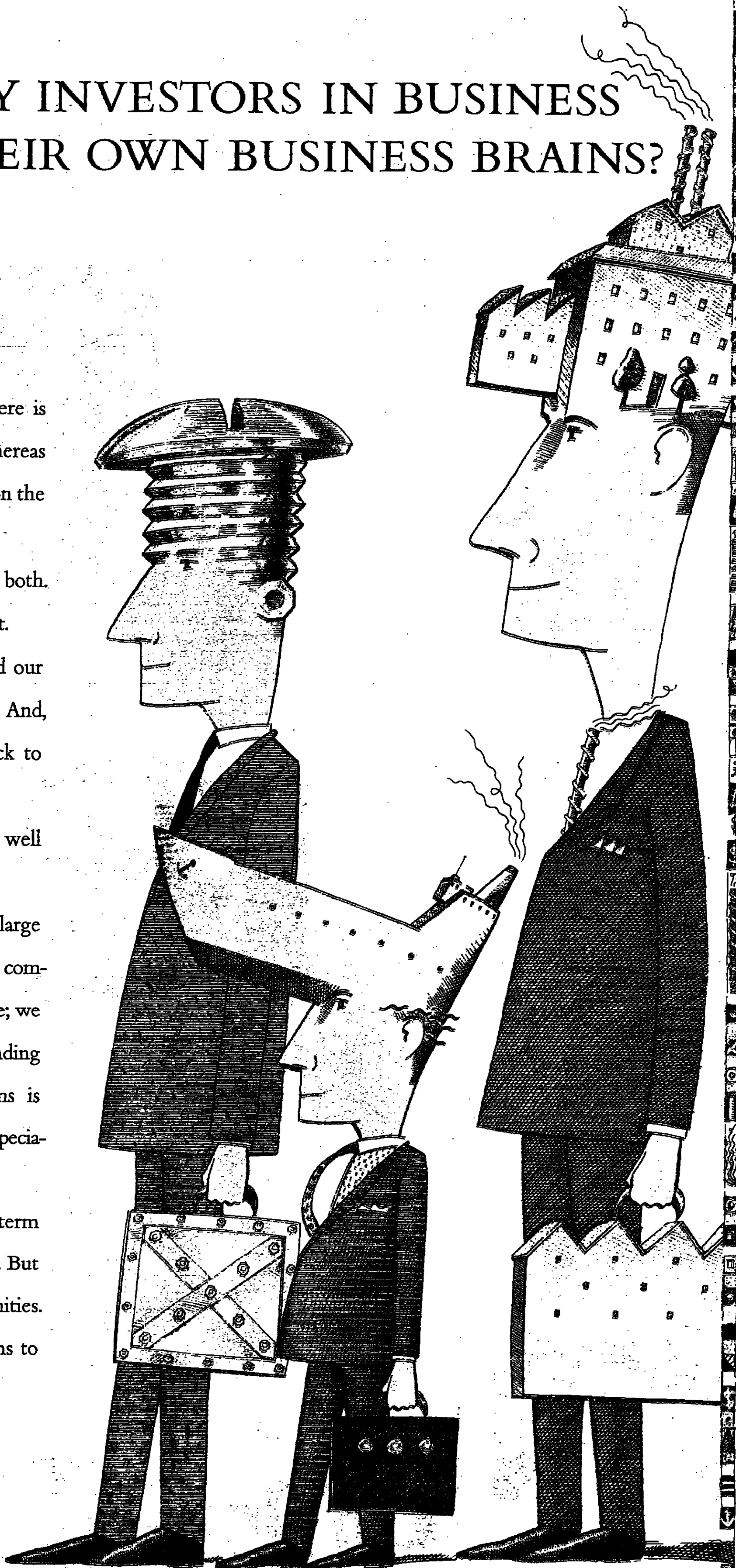


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THE CREATIVE USE OF MONEY





FRANK JOHNSON

Paris Diary

Basteel Day

All through last week Paris was being reminded that many thousands of steelworkers from Lorraine were going to arrive by road and rail for the biggest march through the city since the miners did the same four years ago.

The march would start from the cradle of revolution, the east of Paris at the Place de la Nation, filling with the sight of the Place de la Bastille and the column commemorating the uprising of 1830 which brought to power King Louis Philippe, himself overthrown in 1848 because, as an observer put it, "France is bored". This latter is surely the only honest explanation. Would they do it again some of us wondered. Though I am not yet of their number a lot of people are bored still with Mitterrand.

Le Figaro, grand organ of the bourgeoisie, displayed on the day the march's route. "Overflows cannot be excluded," the paper warned, "in which case, some more important perturbations can be feared". Further examination of the text revealed the important perturbations to be a reference to interference with the traffic rather than with the political order.

It seemed most convenient to approach the cradle of revolution by means of the Metro. At Champs Elisees-Clemenceau, the train refused to restart and a voice announced that "for reasons of security" the service between all stations from Charles de Gaulle to Concorde was interrupted, and would we all leave. This was odd, since the steelworkers were expected nowhere near either Charles de Gaulle, or Concorde.

Most travellers agreed that it was just a power failure, and nothing to do with security. But I feared it was to do with some of Le Figaro's important perturbations. An elderly man observed, however, that the Metro often used that security excuse during the war. Being a profound admirer of the Metro's reliability, I assured him that it used to happen much more often in London. "Surely, you're too young to remember the war," he replied.

Eventually, the steelworkers were encountered far away, protesting behind an immense cross of Lorraine carried by about a dozen men. Then came a group of men and girls in regional costume, blue smocks for the men, frilly bonnets and blouses and floral-decorated skirts for the girls. In other words, it was the same as all national, or regional dress seems to look - be it Brittany, the Auvergne, Wales, Morris dancing, or Poland. The suspicion must be that it all comes from Hongkong. But it looked delightful.

Boulez, Berlioz and the Frankfurter atrocities

An opportunity came the other day to see the greatest French opera, *The Trojans*, by Berlioz. You had to go to Frankfurt. This was because it is only some foreigners who think it great. The British pride themselves on thinking thus and therefore being wiser than the French. The truth is that the French think the work boring. One of the friends with whom I went to Frankfurt works under M. Pierre Boulez. We encountered that mighty figure in a Paris restaurant.

M. Boulez thinks Les Troyens atrocious. But he prides himself on his English. So when we told him we were going to see *The Trojans* he replied: "You mean *atrojans*". It was an atrocious piece, he said, because it was *protrous* by which, he meant, cut up into separate pieces - at a time when Wagner was putting a stop to that kind of thing. Frankfurt proved to be a vision of architectural modernity, with object that looked like those portable cassette recorders but were, in fact, huge buildings. The performance proved to be a vision operatic modernity with the chorus in stocking masks groping the stage, and one another, I dislike architectural modernity, but like the operatic kind, and so, so long as we were in the opera house was content, especially since the performance was galvanically conducted by Herr Michael Gielens.

Once outside, however, one encountered a building with a huge clock, a watchstrap with the building to make the clock into a vast wrist watch. This was a German modern architectural joke.

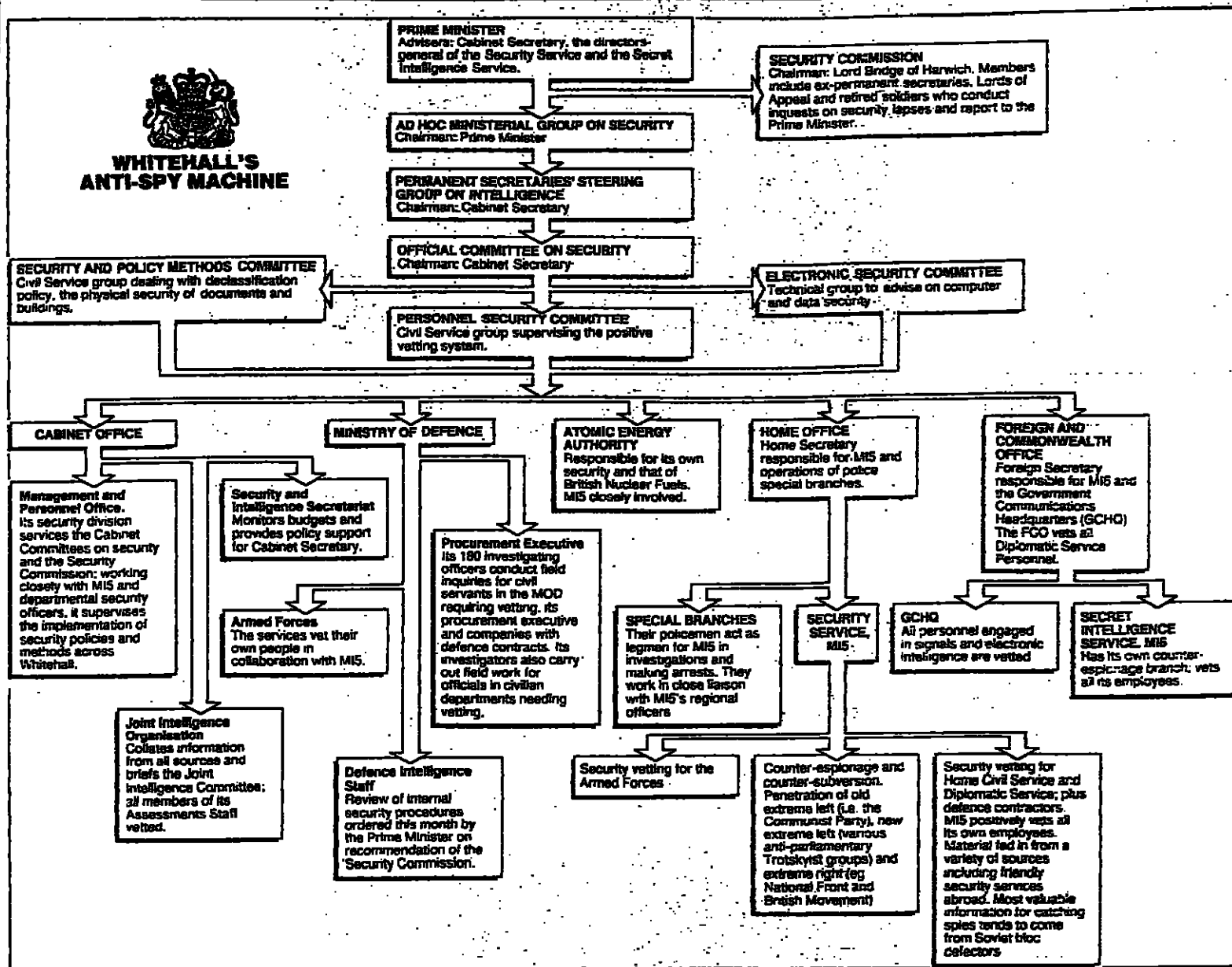
So we fled back to Paris, where a glance at Berlioz's memoirs revealed that he once went to Frankfurt and found it "charmant" with boulevards planted with flowers "dans le style des jardins anglais". Berlioz never lived to see his Trojans performed, and, more happily, missed modern Frankfurt, too.

BARRY FANTONI



"I'm not religious as such but I do believe in the power of Channel 4"

Peter Hennessy on the latest anti-espionage measures



Can this web catch them all?

The KGB has a doughty opponent in Mrs Thatcher. She has done more than any prime minister for 30 years to strengthen the anti-penetration devices deployed by Whitehall's spycatchers.

Yet, with hindsight, her first essay into the field looks stunningly complacent. In reporting to the Commons in April 1982 on a Security Commission report dealing with the positive vetting system, she implied that Philby, Burgess, Maclean and Blunt were a phenomenon of the past, a 1930s generation of tainted upper-class Englishmen who spied for Stalin.

Within weeks the police picked up Geoffrey Prime, a linguist at the Government Communications Headquarters at Cheltenham, for sex offences, and stumbled across the fact that he was spying for Brezhnev for love of the Soviet system. Now, irrespective of the final verdict, a former MI5 official, Michael Bettaney, is on trial for alleged offences against the Official Secrets Act. Sir Michael Havers, the Attorney General, claimed in his opening statement to the court that the motive was ideological.

Since the shock of the Prime

affair, which put a severe strain on the special intelligence relationship between the United States and Britain: Mrs Thatcher, on the advice of the Security Commission, has energetically tightened up Whitehall's vast anti-spy machine (see chart).

In structural terms the most important development is an addition to the battery of Cabinet committees which supervise the system. The new Electronic Security Committee is working to close the gap opened by leaps in new technology. The Security Commission was worried that the pace of computer development in the secrets world had far outstripped the protective devices intended to prevent the KGB from plugging in to the machines. That is being put right.

On the human side the positive vetting system is being made more rigorous, particularly for the 12,000 to 13,000 officials working for the secret services (about 9,700 for GCHQ and some 1,500 each for MI5 and MI6).

The polygraph, of lie-detector, is the most controversial and best-known innovation. But as *The*

Times reports today (page 21), psychological screening is to be introduced for the security and intelligence services. And far more searching "neighbourhood inquiries" are under way into the background of intelligence officers undergoing positive vetting, either as new recruits or because their security clearance is due for its five-year renewal.

Counter-intelligence professionals always preface any remark with a warning that no system is watertight: that the KGB continues to devote immense resources to penetrating the British intelligence establishment and are very good at it, even though Stalin's Englishmen, with the exception of Philby and one or two minor figures, are in their graves.

Mrs Thatcher is the fourth prime minister since 1945 to have been prodded by scandal into spinning a finer mesh for the anti-spy net. Conviction of the atom spy Alan Nunn in 1946 led to the introduction of Atlee's "purge procedure" in 1948 for removing communists and fascists from sensitive posts. Intense American pressure after the conviction in 1950 of Klaus Fuchs, the most damaging

atom spy of all, led the Atlee government reluctantly to agree in principle to positive vetting, though it was actually started by the Churchill government in 1952.

The scandal of Burgess and Maclean led to a 1955 white paper, a privacy councillor's investigation and an extension of positive vetting to include "a character defects" as well as political extremism. The Vassall affair stimulated the Radcliffe investigation of 1962. Its report substantially extended the anti-spy machine, though it ruled out polygraphs.

The Prime Minister persuaded Mrs Thatcher to follow where Atlee, Eden and Macmillan had led. It would be reassuring to think that her improvements had, at long last, put the Whitehall spy catchers ahead of the KGB controllers. But life in the espionage branch of the cold war business is not as simple as that.

For a variety of reasons - ideological, psychological or entrapment by sex and/or money - there could well be a network of Chernenko's Englishmen even among the 60,000 or so crown servants who pass through the positive vetting system.

Michael Hamlyn explains the complexities of the Sikh agitation in the Punjab

Why Mrs Gandhi has not crushed the turban terror



Bhindranwale: inspiration for the gunmen

Harjans Sikhs serving in the village cooperative warehouse, explained Mr Gill. "You see, they would have to handle food in there."

He explained too that the Harjans had their own temple, but they worshipped the Sikh holy book, the Gurm Granth Sahib.

Harjans of all religions have a tradition of voting for Congress. The Khatri have often voted for Congress candidates too. So, have the richer Jats like Mr Gill.

This year they may not be quite so badly split, but split they undoubtedly will be, whereas the Hindu vote is likely to unite solidly behind Congress from fear that a divided vote would lead to a state government dominated by Sikh extremists.

The conventional wisdom in the Punjab now is that when the election comes the Sikh political grouping Akali Dal (the Immortal Party) will be massacred at the polls. The cynical view of Mrs Gandhi's motives then is that she will not settle the dispute until after the election. Another view is that she could not settle it even if she wished.

It is certainly possible to settle many of the Akali demands. Indeed many of them have already been conceded in some fashion, though not yet enshrined, awaiting a final settlement package.

The religious demands are fairly easy. The setting up of a radio station for the continuous broadcasting of *Gurbani* - the words of the Guru - should be no problem; though the listening audience among even religious Sikhs is not likely to be a ratings record; nor should the banning of Amritsar as a holy city, within its walls, nor should the ban on Indian Airlines on the wearing of

the *kirpan*, the Sikh dagger which may be as small as a toothpick or as large as a cut-throat razor.

The status of Chandigarh, now the joint capital of Haryana and Punjab, which the Akalis are seeking as Punjab's own, could be dealt with by giving Haryana sufficient funds to build a capital of their own.

A dispute over the river waters could be referred to the supreme court.

Mr P. C. Sethi, the Home Minister, announced a fortnight ago that article 25 of the constitution, which the Sikhs recently complained, appeared to regard them as a Hindu sect, would be examined by a committee of experts with a view to amendment.

But there remains one major stumbling block. The Guru said: "raj karega khanda" (the pure shall rule), and the Akalis have inserted into their demands a comprehensive decentralization measure.

This demand for state autonomy is so far-reaching that no central government could possibly concede it. Under it all powers would devolve upon the state government except matters of foreign policy, defence, currency and communications.

"It is impossible to have *Kalsa Raj* within India, then we are content to remain Indian," Sant Jarnail Singh Bhindranwale told me on the roof of the Golden Temple, the sacred centre of the Sikh religion in Amritsar.

Sant Bhindranwale is the inspiration for the gunmen spreading the rule of holy terror in the state, and his fundamentalist charisma provides the murders with the religious justification.

The moderate leaders feel, with some justification perhaps that if they come to an agreement with Delhi that Sant Bhindranwale disagrees with, they too could become the targets of an assassin's sub-machinegun spray. Less dramatically, they may well feel that they would be overtaken by Sant Bhindranwale's implacable appeal to the Sikh masses.

Anne Sofer

Direct elections, 1876 style

So we are to have our directly-elected education authority for London after all! Whether it represents a victory for the parents and teachers, or for the politicians, or for Sir Keith Joseph himself, I am not sure; but what seems so far from being a novelty, it is an example of the wheel having come full circle.

London's public education system started under a directly elected single-purpose body, the School Board for London, 114 years ago.

Great hopes have been expressed of its reincarnation. A single-purpose election (it is said) will concentrate the public mind on educational issues, a higher calibre of candidate will stand for election, party politics will become less important, and the cost of education will be more visible and therefore judged more shrewdly by the voters. Only time will tell; but perhaps history can give some indication. To get some flavour of what those School Board elections were like I spent an afternoon last week looking through the archives in the GLC Record Office (a unique and valuable institution, by the way, whose future is still not decided).

Certainly public consciousness of an "education only" election seems to have been high. The *Times* of November 17 1876, for instance, (two weeks before the election) devoted a good three feet of column space to the reporting of election meetings.

The issues discussed ranged through the relative costs and virtues of Board and voluntary schools (a burning issue throughout the School Board's life), the proper teaching of religion in schools, the difficulty of acquiring suitable sites, and the need to have women on the School Board. It was a democratic innovation to allow women to vote, but the views of Mrs Westlake, the candidate in the Marylebone division would need some updating if it were to be a modern feminist platform. "One gentleman," she was reported as saying, was kind enough to say he could support her because she was a lady and would look after the needlework. And indeed she would. She promised. Like all housekeepers she suffered from "the botching and mending that went by the name of darning." The same lady also made the ingenious proposal that separate, cheaper schools should be provided for by the "gutter children" who only needed "simple appliances". But it was a spirited address, ending splendidly: "Nothing is so expensive as ignorance and vice" and she was warmly applauded.

It is certainly a fact that some very able and eminent people stood and were elected. Elizabeth Garrett Anderson, three future bishops and three college principals were among the first members. Indeed to be involved in the London School Board elections seems to have been regarded as a mark of social distinction. One candidate in the Westminster division in 1876 a Mr Seymour ("the Popular Candidate" who will educate the poor children

out of the endowments left for their benefit and SAVE THE RATEPAYERS' MONEY") published a list of supporters which started with two dukes, a dowager duchess, two marquesses and an earl.

The tradition of aristocratic involvement continued throughout the School Board's life. One of its last members (before the Board's responsibilities were handed over to the new London County Council in 1902) was Lord Beauchamp, a bundle of whose correspondence is in the archives. That part of it concerned with the 1897 election throws fascinating light both on electoral practices and on class relationships at the time. Although he represented the "progressive" interest, letters to him from his election agent were markedly different and always started "My Lord". One letter thanked his lordship for the gift of partridge (Lord Beauchamp had a good holiday shooting before the hustings season began), and another tactfully advised him to choose his words more carefully and stick to the party line more closely when talking to representatives of the Free Churches on the issue of denominational teaching in school.

As for the hope that party politics might take a back seat in a School Board election, the evidence of history is not altogether encouraging. Although at the beginning candidates did not run under a party label, by the end of the century most presented themselves for election under either the "progressive" (Liberal) or "moderate" (Conservative) banner.

However the voting system had a peculiarity that made the representation of minorities - then as now a feature of London life - more likely. This was known as "plumping". Every voter had as many votes as there were seats in the division, but could - contrary to current practice - award them all to one candidate, or distribute them.

Will a directly elected authority be more fugal? After the evidence is mixed. On the one hand the School Board spent and spent and spent. But how could it do otherwise? Starting from a base of £25 in petty cash and hundreds of thousands of ragged and unlettered children roaming the streets, huddling in doorways, of exploited for long hours of sweated labour, it had by the end of the century provided a system of universal elementary education. But it is also true that the rates were a huge electoral issue, and the moderates, under a somewhat unsympathetic and churchy cheerleader by the name of Diggle, held power for a third of the School Board's life.

What comes through the archive material more than anything else is the drive and energy of these early education politicians. Maybe that was an essentially Victorian quality, but maybe it also supports the argument that a single-purpose authority attracts single-minded people.

The author is SDP member of the GLC/ILEA for St Pancras North.

William Safire

Wrong weapon but a just war

WASHINGTON Let's stipulate at the outset that mining the harbours of Nicaragua was not the hottest idea the CIA ever had. Somebody came up with the notion that the most bloodless way to increase the pressure on the Sandinistas trying to overthrow El Salvador was with a noisy firecracker mine that would scare away arms suppliers as well as traders and drive up insurance rates. President Reagan personally approved the idea.

He twisted the screw on his own toe. Mines are passive but indiscriminate weapons, and can affect the property of other nations. The manoeuvre CIA officials belatedly realised, was a blunder. The additional pressure on Nicaragua was minuscule, while the mini-blockade enabled the catch left in the US to heap discredit on our first open-secret war.

Senator Robert Byrd, a Democrat, excoriated an act of terrorism; Senator Kennedy interpreted the lopsided passage of non-binding resolutions to stop the mining as a mandate to abandon this bankrupt secret war; Tip O'Neill, speaker of the House, is using the uproar to try to cut off all aid to the Contras opposing the communist regime and a hardy band is seeking the prosecution of the President for disregarding the Neutrality Act.

The angry questions deserve cool answers. Why is the Reagan administration conducting secret hostilities against a nation with which we are not at war? With the full knowledge, specific funding and tacit approval of Congress, the United States Government is helping a fighting force of Nicaraguans harass the communists in power. The war is no secret, and the American purpose is nothing to be ashamed of: to discourage Nicaragua from its attempt to topple the non-communist Government of El Salvador. The United States does not declare war because it sees no need to use United States troops. The heat can be applied by United States support of anti-Sandinista forces in and around Nicaragua.

But why didn't the CIA inform Senator Goldwater, chairman of the Senate Intelligence committee, of this covert action? It did, on March 3 and again on March 13, in single, identical sentences amid secret testimony that ran 54 pages and 34 pages. Some believe that the Senator, who is 75, and will retire in

1986, was not listening, but his top aide, Rob Simmons, characterises that repeated sentence as implying that the Contras would undertake the action on their own. After reading in the newspapers about United States participation in the mining in the papers, the grand old toothless tiger's fulmination helped the doves whip up their firestorm.

Why if we believe in the rule of law, did we stain our moral escutcheon by refusing to let this be adjudicated in the world court? The judges of that inactive tribunal are appointed by the United Nations, a forum in which the United States rarely wins. The Russian and Syrian judges would surely rush to condemn the United States while ignoring the root of the attack, the communist Nicaraguans continued attempt to overthrow the democratically elected Government of El Salvador. Jimmy Carter, in a fit of helplessness, turned to the world court in the Iranian hostage seizure - we should not cooperate in the propaganda plays of others.

If Reagan is reelected, won't there be a December surprise - the sending of United States troops to Central America? That will be wholly unnecessary if we now train and equip enough friendly local guerrillas in El Salvador, a country of five million, while the Contras number 15,000 in Nicaragua, a nation of 2.5 million, if we have the staying power, we will prevail.

But aren't we getting sucked into another quagmire? Maybe. If we follow the Kennedy-O'Neill-Hart line of pull-the-plug diplomacy, if other congressmen, who know better, seek to combat communism on the cheap and, in high hypocrisy, vote to condemn loudly what they vote to half-fund quietly and if we withhold vital aid to allies who, in free elections, select candidates not entirely to our taste, then a future president is quite likely to be drawn into a quagmire requiring American troops.

In this first open-secret war, the United States Government may commit blunders that cause temporary loss of face. That is what happened with the mining. Congress should not compound that mistake with an overreaction that causes a loss of United States credibility, loss of honour and loss of Central America.

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DUBLIN COMES TO THE POINT

A veiled political struggle is prolonging the last days of the New Ireland Forum. Its report is at least a month overdue, and it is still uncertain whether the party leaders can agree on a text or whether Mr Haughey will sign a minority report.

The forum had its origin in the embarrassment of Mr John Hume the leader of the Social Democratic and Labour Party in Northern Ireland. His party entered the elections for Mr Prior's assembly in the autumn of 1982 on the promise of abstention. That was an uninspiring call to the voters, especially as the SDLP's competitors Sinn Féin can always outbid it in a negative auction. So Mr Hume had the thought of holding out the prospect that his party's elected candidates would sit instead in a nationalist council for all Ireland, a convention yet to be born. The initial reaction in the Republic was embarrassed silence.

Later Dr Garret FitzGerald, by then prime minister, saw merit in the idea. He saw in it the germ of a development that might put new life into constitutional nationalism in Northern Ireland, represented chiefly by the SDLP. He also saw the necessity for a restatement of the nationalist position for use in Dublin, and an opportunity to arrive at one via the joint deliberation of all Irish parliamentary parties of that persuasion.

The rhetoric of nationalism still postulated the absorption of the Six Counties into the Irish state, and its thinking had not gone much further. The trouble with that approach - reinventing the Treaty and disavowing Partition - was that Ulster

Unionists plainly would not wear it. Britain plainly would not play its allotted part of making them wear it, and opinion in the Republic was plainly disinclined to pay the price in economic terms or the required element of force. The whole "national aspiration" was enveloped in unreality.

A new meaning and a new approach had to be given to Irish unity. Rome had done as much for its understanding of Christian unity. The Second Vatican Council had carried the church beyond the position that unity entailed the repentance of schismatics and their submission to the spiritual jurisdiction of Rome. Irish nationalism awaited similar redefinition in terms that ceased to humiliate and began to interest Ulster Protestantism. The Dublin forum was to be the instrument of renewal.

Its public sessions have conformed to that impression. Its private deliberations, so far as one has wind of them, are proving stickier. The two parties in Dublin's governing coalition and the SDLP would like to promote the ideas of a heavily federal Ireland and joint British-Irish sovereignty over Northern Ireland alongside the straight unitary solution. It is not yet clear - though it is of much importance - how these other options will be presented: as satisfying the conditions of unity, as answering the aspiration of nationalism, or as preparatory stages en route to unity proper.

Mr Haughey is experiencing difficulty with this. He might not find it easy to bring Fianna Fail intact behind an obvious dilution of "republicanism". Nor can he be sure that his supporters

in the country would all fall in with it. He also appreciates the danger of leaving Sinn Féin in sole possession of unreconstructed republicanism with its potent war-cry "Brits Out".

Irish ministers are already calling for a positive response from the British government. That is premature. Crucial passages in the forum report are not yet agreed, and the response must be determined in part by the contents. If the report boils down to old ways or new ways of detaching the province of Northern Ireland from the United Kingdom and incorporating it in an all-Ireland republic, ministers in London can give it no countenance; for it will be overwhelmingly rejected by the unionists, who are the majority in Ulster, and the government here has not the duty, the right or the stomach to coerce that majority into acceptance of a change of allegiance. If that is how it turns out, all British ministers can do is pick at selected items in the report to see if they can be developed into new modes of functional cooperation.

If on the other hand the forum report accepts the reality of Protestant Ulster, recognizes that it will not be, blasted by terrorists or inveigled by politicians into a union it is presently set to withstand, accepts the timescale entailed by the fact that the only unity of value to Ireland is unity willingly entered into, and concentrates on the changes within Northern Ireland that are conducive to peace - legal, institutional, emblematic, and ultimately generational changes - then the forum may indeed introduce a period of more constructive Anglo-Irish cooperation.

A QUERULOUS PRELUDE

The dull disagreements achieved by the world's top finance ministers in Washington this past week augur badly for the meeting of their heads of government at the London economic summit in June. The substance of the argument - a pittance for the poorest nations, the kind of small change of international negotiations that in better days would have been settled well before these meetings - is less serious than its style.

The finance ministers gathering for the spring meetings of the international financial institutions were unable to sign an agreement, pencilled in months ago, on a selective capital increase for the World Bank and a much reduced sum for its soft loan agency. The obstruction came from the Americans, who have abused these negotiations to try and force the Japanese to give way on a quite different issue.

The Americans are determined to force the pace at which the Japanese are opening up their capital markets. On this point of principle, the Reagan Administration is in the right: financial controls to which the Japanese cling help to keep both the yen and their merchandise exports unfairly cheap. But America's choice of methods for demanding change are both discreditable and divisive.

One of the effects of the selective capital increase proposed for the World Bank would be to give Japan a role and

responsibilities commensurate with its present economic strength. This is a development that has been urged endlessly on Japan by leading western nations; yet now the Americans are deliberately blocking it. While arguing about Japan's capital markets, they are obstructing Japan's step up to the position of second major shareholder of the World Bank.

The American action has set the scene for a querulously ineffective summit in London. This is ironic, because Japanese capital restrictions are precisely the sort of issue that should be addressed in the negotiations for this summit; and if the Americans had chosen that forum, and that method, for putting pressure on the Japanese, they would have received nothing but support from their allies. The main issue of this summit should be protectionism; and the financial protectionism exercised by Japan is one cause of the trade protectionism it complains of in its rivals.

The summit process has so little going for it that it can ill-afford a bad-tempered start. At best, these annual economic summits are triumphs of hope over experience. This year, it is particularly hard to compile a long agenda of useful debating issues. Everything that can be said on the subject of the American budget deficit and its effect on the dollar and world interest rates has already been said, ad nauseam; a rehearsal of

that quarrel between America and Europe would be pointless. Co-ordinated retaliation, of the kind negotiated for summits in the late 1970s, is out of fashion. Unemployment is very much a European concern, less suited to the wider group of summit governments representing Japan and North America as well. International debt concerns them all, and will certainly be on the agenda; but it is an issue best suited to discussion at the regular meetings of central bank governors, rather than to an exchange of ignorance between their political leaders.

There is, however, one very political economic issue on which the summit leaders should concentrate, if only for the sake of their own credibility. At last year's summit, in Williamsburg, quite bold pledges to roll back the tide of protectionism were enshrined in the communiqué. But since Williamsburg the tide has continued to roll forward. The summit preparations should concentrate on this catalogue of failure, pinpointing the protectionist measures taken by the Americans and Europeans, as well as the Japanese.

Trade restrictions are now the most serious handicap to economic recovery, in the poor world as much as in the rich. It was to declare themselves against protectionism that the summit group first met, at Rambouillet, in 1975. Something more than mere declarations will be needed in London.

SETTING THE PACE TO 1997

Sir Geoffrey Howe is in Peking today primarily to talk about Hongkong, which is now high on the Government's list of priorities for this year. He will not be negotiating. His aim is to survey the ground, discuss the timetable of the negotiations and look at political aspects of the problem. It is therefore unlikely that anything concrete will emerge from the visit, or even in the near future thereafter, since there is still a lot of work to be done. However, it is an important visit for both sides, for both will suffer if the negotiations go wrong.

Sir Geoffrey set out the British position in the House of Commons on March 22. Britain's task, he said, was to ensure continuity in Hongkong's legal and social systems, which were the foundation of Hongkong's prosperity. Since Britain's lease on 92 per cent of the territory comes to end in 1997 "it becomes possible, and indeed desirable, to visualize other ways in which continuity can be assured". Britain had given up earlier hopes of maintaining a role in the administration but still hopes to assure continuity through agreements with the Chinese government.

This is a formidably difficult task when overwhelming power seems to lie on the Chinese side. However, Britain is not entirely naked at the negotiating table. If

the inhabitants of Hongkong are not given the confidence to stay and work and invest a disastrous situation could develop, with perhaps a million refugees trying to get out and the economy collapsing in ways that would have repercussions in many parts of the world. Of course this would be bad for Britain as well as tragic for the people of Hongkong but it would also be very bad for China. Face would be lost. Relations with Britain and the whole Western world would deteriorate sharply. International confidence in China would be badly shaken and future agreements in other areas would become more difficult and China's hopes of peacefully absorbing Taiwan would be set back by many years.

None of this will deflect China from its determination to have sovereignty after 1997 but it means that China's interest in a satisfactory solution does not spring only from the friendly and pragmatic attitude which the present Chinese administration is showing. There is a real political interest there as well. Moreover, just as the penalties of a bungled operation would be immense, so the rewards of success would be substantial too. If Hongkong continues to flourish as a semi-autonomous region with capitalistic economics in full swing and a measure of democratic representation for the people, confidence in China's

future development, her realism, reliability and determination to modernize, would be enormously strengthened.

China's September deadline is now looming uncomfortably close. The Chinese have said they will publish a draft constitution by that time, whether or not the British have agreed, so one of the problems for Britain is how far to try to get every small detail agreed, a job that might be done badly if done in haste. On the other hand it would be risky to leave too many blanks for the Chinese to fill in, no matter how much mutual confidence there may seem to be. Vagueness breeds insecurity.

The British government is still saying that discussions can continue after September. It would be helpful if the Chinese would say the same. Then there would be less danger of making mistakes under pressure. Somewhere the negotiators have to find a pace which is fast enough to reassure Hongkong that progress is being made while slow enough to ensure that as many detailed guarantees as possible are incorporated in a formal agreement. The agreement not only has to bind this Chinese government but restrain any future government that might be tempted to experiment with arrangements that are bound to look rather fragile until they have stood the test of time.

Concern for decline of Merchant Navy

From the Chairman of the British Maritime League

Sir, The rapidly accelerating decline of our Merchant Navy and its consequences for shipbuilding, manpower, strategic emergencies and numerous services and industries that depend on shipping, must alarm all with any concern for the future.

The merchant fleet has declined from 1600 ships of 50 million deadweight tons (DWT) in 1976 (9 per cent of the world fleet) to 800 ships of 20 million DWT today (3 per cent); the General Council of British Shipping yesterday announced that they expected the number and capacity to drop another 50 per cent by 1985/86 - to only 400 ships of 10-20 million DWT.

No one can any longer believe the Government's repeated statement that "the Merchant Navy continues to be able to meet foreseen defence requirements", the more so as there is a mass of evidence to show that very many of the ships supposedly controlled by British owners, including many flying the Red Ensign, are very unlikely to be available to us when wanted, even if the seafarers needed to man them remain available; 5,000 men a year are being lost from the sea.

The Government's attitude to all this amounts to total indifference. If one can judge by its statements over the past couple of years and the extraordinary actions of the Chancellor in his recent Budget which removed long-standing and useful fiscal advantages shipping has enjoyed since 1957, and the legitimate tax advantages which foreign-going seamen received.

This was just at a time when shipping is experiencing the worst recession since the thirties, together with fierce competition and drastic price-cutting by Third World and Comecon countries, forcing more and more owners to cut their fleets or give up the unequal struggle.

The Prime Minister stated after the Falklands campaign that "the country owes an enormous debt to the Merchant Navy." Surely the time is long overdue for the Government to honour that debt to a vital industry, on which the country's prosperity in peace and survival in war so largely depend. Yours faithfully,

A. T. F. GRIFFIN, Chairman, The British Maritime League, Bedford House, St Botolph Street EC3, April 11.

Power station survival

From Mr G. N. Stone

Sir, I feel it necessary to correct the statement made by your reporter, Hugh Clayton, in the article, "Plans to save power station go on show" (April 5) concerning the Battersea power station development competition.

The article states that the generating board sees the "station's only chance of survival was through the redevelopment for non-electric purposes" - "unconnected" with the generation of electricity.

I thought I made it clear when I opened the exhibition of the submitted schemes that it would be quite improper for the board to make any comment at this stage on the merits of individual entries; this is a matter for the independent assessors appointed for that purpose. However, I did say that I was impressed by the commitment shown by the entrants and that obviously a lot of hard work had gone into the preparation of the schemes, which had been well presented.

Yours faithfully, G. N. STONE, Director General, South Eastern Region, Central Electricity Board, Bankside House, Summer Street, SE1, April 6.

Unesco's affairs

From Father D. C. Barrett, SJ

Sir, In view of the present inquiry into the affairs of Unesco and the strange events that have been taking place in its Paris headquarters, I, as the delegate who represented the British section of the International Association of Art Critics at last year's annual congress in Helsinki, have been asked by the committee to bring the following observations to the attention of the public.

The association is heavily funded by Unesco, but it is not a subsidiary of Unesco. It came as a surprise, therefore, to discover that the theme of the Congress - "Art in search of a new world order" - was suggested by Unesco and that the head of the artistic section of its Cultural Development Division was one of

Sinking of Belgrano

From Mr Arthur Gavshon

Sir, During House of Lords exchanges reported in *The Times* (March 29) relating to *The Sinking of the Belgrano*, a book I co-authored with Desmond Rice, the Under-Secretary of State for the Armed Forces, Lord Trefgarne, cited two reasons for the refusal of the Defence Ministry to clear my questions-and-answers interview with Admiral Sir John Woodward. The first reason was that the Government had already explained the circumstances of that event; the second was that my questions dealt with confidential security matters.

Curiously, Lord Trefgarne failed to mention that Admiral Woodward actually did answer written questions I had been invited to submit. The MOD advised me that the Admirals' replies needed to be reconciled with previous official statements. This could not have been easy since ministerial and

Recipe for change in the provinces

From Mr John Taylor, MP for Solihull, (Conservative)

Sir, The waters have of course become muddied by a confusion of two questions: whether Metropolitan County Councils are a useful attempt to address sub-regional problems democratically on the one hand and whether a broad section of the community has been angered by the way some of them have been run recently on the other.

Since we are not likely to get a dispassionate consideration of the first question now and since some change would appear inevitable to serve honour etc., may I be permitted to suggest a solution at least for the metropolitan provinces.

The anticipated boards should become one board responsible for the transport related functions, the protective services and waste disposal. They should be "book-ended" as to their remit and "rate-capped" as to their finances.

Meanwhile the board should be saved by elected representatives (as per the WEA, concession). Numerically they could be one per parliamentary constituency in the provincial metropolitan counties (very close to the numbers anticipated in the Government's White Paper).

Each would then, incidentally, rather closely resemble "the stinking County Council" which friends and I conceived in 1975.

Yours truly, JOHN TAYLOR, House of Commons.

From Mr Tom White
Sir, Nevil Johnson (Rate-capping: why all the fuss? *The Times* April 9)

Dental services at risk

From Mr David Watson James

Sir, Your report (April 4) that there is to be a major review of family practitioner services has excitedly been proved accurate, with DHSS announcement today that a Green Paper is to be issued.

The review will cover not only family doctor services, as you mention, but could also produce far reaching proposals for changes in the dental services. Indeed this is already happening though without the frankness or full debate which Nicholas Timmins called for (also on April 4) in his article on the future of welfare state.

In the Government's 1981 White Paper on public expenditure it was said that dental and other health charges would "increase annually in line with costs". In 1982 dental charges nevertheless rose massively in real terms. Last year's increase was broadly in line with inflation but this year we have another increase well in excess of general price rises.

In April, 1981, the maximum charge for routine dental treatment was £9; it is now £14.50 and the maximum charge for treatment has reached £110 from just £60 three years ago.

Current hints and rumours about the future of the family practitioner services should therefore be greeted

Landscaping and BR

From Major Philip Bunbury

Sir, Mr Lovejoy, in his letter of April 10, asks: "If it is considered desirable to landscape our motorways, why is it not desirable to landscape alongside the permanent way of British Rail?"

The answer to this question appears to me to be clear. The majority of people travelling along the motorway are in a hurry and looking at the scenery and the faster we will go past it. The desirability of improving the landscape alongside the permanent way will then actually diminish.

In fact, the more the service is improved the less time we will spend waiting and looking at the scenery and the faster we will go past it. The desirability of improving the landscape alongside the permanent way will then actually diminish.

Yours faithfully, PHILIP BUNBURY, 7 St Nicholas Street, Norton, Malton, North Yorkshire, April 10.

they are not reading your paper or doing your crossword.

BR is right to spend its money improving the service it provides. The quality of the staff, track, rolling stock, signalling equipment and railway stations are the most essential elements of this service and this is where the money must be spent.

In fact, the more the service is improved the less time we will spend waiting and looking at the scenery and the faster we will go past it. The desirability of improving the landscape alongside the permanent way will then actually diminish.

Yours faithfully, PHILIP BUNBURY, 7 St Nicholas Street, Norton, Malton, North Yorkshire, April 10.

Service explanations had not been consistent and were indeed contradictory.

It took Admiral Woodward about six weeks to produce his answers; another seven weeks elapsed before John Stanley, the Minister of State for the Armed Forces, vetoed release of the replies against the advice of his officials.

The difficulty that faced Admiral Woodward and Mr Stanley is best illustrated by recalling that there were four different official versions of when HMS *Conqueror* first detected, then sighted the *Belgrano*. The Prime Minister recently set forth the true position, which coincides with information in the book.

During the Lord's exchanges Admiral of the Fleet Lord Lewin observed that, if approached, he could have cleared up "some of the many misunderstandings" which he said are contained in the book. This was puzzling. If Admiral Woodward was not permitted to discuss security

appears singularly misinformed when he writes of "something like uniform provision" in local authority personal social services.

There are, in fact, wide differences in provision between local authorities even in the range of mandatory services. While their average expenditure per head of population on personal social services is £54.80 per annum, there are four authorities which spend more than £100 per head, while at least 12 authorities spend less than £30 per head.

If one looks at a specific service area such as the provision of mobile meals, one finds that, in 1982, the average number of mobile meals provided by authorities was 380 meals per 100 population, aged over 65, per annum. It took a wide variation to produce this average with one authority providing 177 meals and another 1,284. There are even wider variations in other service areas. Local authorities have

certainly been able to exercise considerable discretion in the range, quality and quantity of services provided. Those engaged in the provision of social services to the deprived in the community are very concerned that the Government's present proposals for "rate-capping" and other penalties, with their implication that Whitehall knows best, are going to have an extremely damaging effect on the supply of essential services to the deprived in the community.

Yours sincerely, TOM WHITE, Director of Social Services, City of Coventry, Social Services Department, New Council Offices, Coventry, April 10.

with hollow laughter by dentists and their patients. Fundamental changes in the nature of the dental services are already taking place and increases in charges are but one example.

An opportunity arose to improve the education of dentists, using funds released from an agreed reduction in dental undergraduate intake. It now appears that this opportunity has been lost. Cuts have been made but money saved has disappeared into the maw of the Treasury.

DHSS have also recently refused to allow family dentists to provide preventive treatment for children whose medical conditions make dental disease or treatment a particular hazard. The dental profession is now deeply concerned about the Government's intentions towards dentistry within the National Health Service.

Before more damage is done, it is essential that there should be full consultation with the profession and also with the public, who risk losing their National Health Service dental services through the Department of Health's sleight of hand.

Yours faithfully, DAVID WATSON JAMES, Chairman, General Dental Services Committee, British Dental Association, 64 Wimpole Street, W1, April 6.

they are not reading your paper or doing your crossword.

BR is right to spend its money improving the service it provides. The quality of the staff, track, rolling stock, signalling equipment and railway stations are the most essential elements of this service and this is where the money must be spent.

In fact, the more the service is improved the less time we will spend waiting and looking at the scenery and the faster we will go past it. The desirability of improving the landscape alongside the permanent way will then actually diminish.

Yours faithfully, PHILIP BUNBURY, 7 St Nicholas Street, Norton, Malton, North Yorkshire, April 10.

admitted on the ground that he was a criminal - presumably this meant that he was a member of Solidarity, a suspicion confirmed by the fact that his publications ceased after the introduction of martial law in December, 1981.

To what extent Unesco and its officers were implicated in all this is impossible for me to determine. Nor is it possible to determine the extent to which Unesco itself is under external political pressure.

Yet even at the time (May, 1983), before any of the present rumour began, I found these machinations disquieting, as did my colleagues, when I reported them.

Yours faithfully, D. C. BARRETT, Department of Philosophy, University of Warwick, Coventry.

matters, how could he? Yet Lord Lewin's many public utterances were taken fully into account at nine different points in the book.

If Lord Trefgarne had read *The Sinking of the Belgrano* he could not conceivably have repeated the discredited story that the cruiser's two destroyer escorts "turned tail and fled" after the attack. He would have learned from British as well as Argentine authorities that the Hippolyte Bouchard had been hit by the third of the three mark 8 torpedoes fired by *Conqueror* and which failed to detonate; and that the second destroyer, the *Piedra Buena*, immediately counter-attacked with depth charges and gave chase, forcing *Conqueror* into desperate evasive action and to drive at full speed away from the scene.

Yours faithfully, ARTHUR GAVSHON, 19 Stormont Road, Highgate, N6, March 31.

Adding to the heritage muddle

From Lord Lansdowne

Sir, In your issue of April 3, Mr Kenneth Hudson states that the root cause of all the trouble and muddle in the campaigns to prevent privately owned works of art from being sold to foreign museums or collectors is the loose way in which the terms "heritage" and "national heritage" are used.

He goes on to describe Bach and Rembrandt as part of his cultural heritage, but because he is neither German nor Dutch, they are not part of his heritage in the way Constable, Stubbs or Sheraton are. I find Mr Hudson's definitions only add to the muddle.

Surely, Sir, privately owned works of art, whether from a tax-crippled state home or from the penthouse flat of a twentieth-century collector, or from the cottage of the descendant of some great creative artist of long ago, are all part of the wealth of the nation but are solely the property of their owners.

Chatsworth and Bowood, with all their contents, were the property of the Cavendish and Fitzmaurice heritages. Their respective owners have made and continue to make great efforts and sacrifices to give the nation a chance to share in their family's heritage. If the nation wishes such heritages to become its own, it must either accept them as a gift, with all the obligations and responsibilities involved (the Burrell collection is a triumphant contemporary example), or it must buy them.

If the nation is unwilling or unable to accept the conditions of a gift or to buy outright, the owners have the right to dispose of their property in whatever other manner they choose.

The Reviewing Committee on the Export of Works of Art seems to me to provide a valuable check to the export of works of art before the nation has had a chance to consider their acquisition. The committee's terms of reference are so widely drawn that it can apparently recommend the delay of an export permit to almost anything.

Malibu will always be able to outbid, some will say. Higher tax concessions might, I suggest, take care of that.

Yours faithfully, LORDS DOWNE, Melksham House, Wiltshire.

Room at the top

From Mr Paul Paget

Sir, As the surviving son of the first Diocesan to dispose of his episcopal palace (Chester, in 1919) and, later, as partner in a firm of architects who had much to do with the housing problems of several bishops, two archbishops and a host of parish clergy, I hope that I may be allowed to add a postscript to your "Room at the top" correspondence.

Whereas I can well believe that the question of accommodation, whether too much or too little, may have been a governing consideration in the past, as to the acceptance or refusal of an offered benefice, I would suggest that such an approach dates back to a period when Mrs Proudie could not read a plan and when neither the Church Commissioners nor diocesan offices retained the services of a competent architect and both lacked the guidance of a conservation committee where the alteration of a historic or listed building could ease a particular problem.

In my experience no such limitations as these have obtained for a least a decade. Clergy wives can now read plans with the best of them and, with the help of their architects, the ecclesiastical authorities, at all levels, can devise the means of meeting all reasonable planning requests if the appointment in question is desirable on all other grounds.

It is by this latter criterion that the care of souls must be, and usually is, decided and not by the existence or absence of "mod cons".

Yours faithfully, PAUL PAGET, Templewood, Northrepps, Nr Cromer, Norfolk.

Nothing to crow about

From Mrs S. P. Walker

Sir, What's going on in the farmyard? A judge deems one cock to five hens about right, and now we have Chaucer reputed to have said one to seven.

Why do my free range Marans manage perfectly well at one cock to 12 or 15 hens? Proven by the fact that the eggs hatch out - five eggs to each broody bantam, collected and set in April for early May hatching, for starting to lay around Christmas.

This provides eggs for friends and neighbours, cockerels for sale as stock birds or the freezer or pub charity auctions, and pullets as replacements or swaps for new blood.

S. P. WALKER, Bramall, Mawgan Porth, Cornwall.

Good dressing down

From Mr Ian McIntyre

Sir, I have just completed two weeks of jury service, in a London crown court. I was called into the jury box seven times. On the five occasions that I was dressed in a dark business suit I was challenged before taking the oath. On the other two occasions I was less formally dressed, hence permitted to serve as a juror.

By the last challenge a number of jurors had, not surprisingly, drawn their own conclusions as to the reasons for this.

Is this in the defendant's best interests? Yours faithfully, IAN MCINTYRE, 4 Petyl Place, SW2.

Home ownership

Buying a house is the biggest financial transaction that most people will ever undertake in their lives - and therefore the most important. In this Special Report, we offer an all-purpose guide to this crucial decision

In the past 12 months there has been a turnaround in the home loan market which building societies will ignore at their peril.

Almost ten years ago, Tony Trollope, who was the then chief executive of the City of London Building Society, surprised his colleagues at the annual Building Societies Association conference with what was regarded then as controversial if not heretical opinions.

His basic view was that although building societies were then short of cash for homebuyers - a situation which had persisted for almost as long as anyone could remember the time would come in the not too distant future when societies would have to concern themselves with different priorities.

The time would come when building societies would find it necessary to consider lending for purposes other than homebuying - because the supply of funds to the market would be sufficient for this primary purpose. There were, he said, many at the conference who openly laughed - but he was right, and that time has now arrived.

Over the years there has been a subtle switch in the attitudes of both building societies and government. Gone is the view that home loans should be cheap, because cheap is a relative concept these days. And gone are the government constraints on market rates.

Broadcaster Vincent Dug-

gleby has a tape of the programme conducted not much more than 18 months ago when the Money Box interviewer was challenging a building society man on the then current level of interest rates, which were considered too high relative to other interest rates.

If rates continue at these levels, then people will soon find themselves paying real rates of interest for their loans and that is almost inconceivable, said the interviewer.

That is precisely what we are seeing. After tax relief the net charge for a home loan is just over 7 per cent - while inflation is running at 5.5 per cent to 6 per cent. And in some areas house prices haven't moved for five years or more - except downwards.

What has been established in the past couple of years is that people would sooner have home loans available at a price, than home loans that are cheap and have to stand at the end of a long queue.

Last year the building societies lent £19,341m and this year the figure will hit the £23,000m mark.

Equally significant, though not yet a real threat to the building societies business, is the £3,000m which the banks will lend this year and it was their entry into the mortgage market some three years ago which signalled the turning point in the societies' business.

The banks rightly took the

view that the way to stop the erosion of their customer base (building society deposits have grown from £16,347m to £72,482m over the last ten years compared with an increase in banks' personal business from £16,317m to £54,887m) was to attack them on the mortgage front and from that day, the savings and loan industry has moved off down a different road.

During the past year the building societies have taken enormous strides in recognising the shift in emphasis and have produced two reports on the future constitution and powers of building societies.

This has proved to be a controversial move as the societies are seeking much greater freedom to extend the range of their business activities, an extension which will inevitably encroach on other financial institutions' territory. They don't like it.

The Spalding report as it has become known (adopting the name of the committee's chairman, John Spalding, Chief General Manager of the Halifax), proposed a number of fundamental changes - most noteworthy of which is the power for building societies to lend unsecured. At the moment they are able to lend only against the security of a first mortgage on a property.

The societies are also seeking powers to set up insurance companies and other financial



institutions. But it is the freedom to lend unsecured which is the key to their future. Without this their ability to lend and hence their growth will be severely curtailed in the late 1980s and beyond.

And there are other factors at work which have to be taken into account. The incidence of home ownership has grown from 25.6 per cent in 1944 to today's level of 59 per cent.

There is still room for some extension of home ownership but we will be seeing the mortgage market maturing within the next decade as the post-war generation who have largely already bought their own homes, inherit from their parents another property. This second property probably will be sold and the proceeds used, to a growing extent, to house the next generation. The hous-

ing market will become increasingly self-financing.

A second factor not to be ignored is that the children of the early 1960s baby boom, now approaching homebuying age, will have produced the expected upward blip in the household formation figures during the next decade and then on the number of new families looking for accommodation will start to decline for at least another decade.

The rate of household formation has been underpinned by the high divorce statistics (wives and families need a separate home) and the increased longevity of old people.

The proportion of last time sellers (as executors disposing of the deceased person's estate are enigmatically called) has declined in relation to the number of young people at the other end

of the scale seeking a home of their own for the first time. This is borne out by the statistics on first-time buyers which reached a peak as a percentage of all home loans in 1969 at 63 per cent and has since declined to 45.3 per cent in 1979 of all lending (in terms of numbers of loans). It has since increased but the rise is wholly attributable to council house sales.

If the forecasters are right, unemployment, here to stay for some sectors of the community, will necessarily have a substantial effect on the demand for home loans. And it is likely to affect the children who were products of the early 1960s baby boom more harshly than others - the very generation the societies were hoping would provide the demand in the coming ten years and tide them over the period of change.

As one 20-year-old put it: "We are a lost generation - too late for the sixties - unskilled compared with the next generation who are learning how to use computers at school."

Graduate unemployment is no myth. Twelve months ago 87.6 per cent of students leaving university were able to find jobs compared with 95.9 in 1967 and with the exception of the computer sciences, pure sciences and technology based subjects, this trend is likely to continue.

Against this background, top priority for the societies is getting a new Building Societies Act which will incorporate the major changes - most importantly the unsecured lending facility - proposed by Spalding.

This will inevitably take time and though the societies themselves are pressing ahead, draft-

ing such a major piece of legislation is a long job and is not expected to find parliamentary time for another year at least.

In the meantime the competition between the societies and from the banks continues. Reducing overheads by greater and more efficient use of computers, the introduction of new customer services and facilities, the maintenance of a balance in the rates charged to borrowers in relation to what is needed to attract funds from investors, and a number of other factors will all be utilised by those societies which survive the eighties.

But some won't and the industry is likely to be much slimmed down in terms of numbers from its current level of 206.

Lorna Bourke

Rural delights? It's not a taste of honey all the way

The one thing, I am sure, that sustains my commuting husband when he finds himself at Charing Cross station at 8pm with snow falling and the next two trains cancelled, is that a couple of weeks after we moved from south London to the country someone in the street next to our former house was murdered.

It is the quality of life, rather than death, however, which prompts a steady stream of London-based workers to move from the centre to leafy suburbia or beyond. The economic argument - which seems to be a toss up between staggering London rates and staggering train fares - is secondary.

"Typically the successful executive will start thinking about moving out when the eldest child approaches the age of five", says David Mitchell of estate agent Savills. "The main motivation is the feeling that

Country mums with three children can spend their lives in the driving seat. It could mean 100 miles a day

life in the country offers a better, healthier environment for children. You can find a larger house, with a bigger garden. You certainly get more for your money."

That doesn't mean that the cost of living in the country is, overall, cheaper. OK, you can still find a cottage in Kent for £50,000 if you look hard, which may seem better value than a two-bedroom flat in Earls Court

or Primrose Hill. But then there is the hassle, and the cost of commuting.

British Rail cheerfully admits that it tends to load the cost of fares to and from popular commuting points within the 50 mile "golden circle" radius of London. Fares here are not so much based on mileage as what the market will stand - often quite literally, as anyone who travels up to town in the rush hour will know. Commuting costs are pretty high - the cost of an annual season from Haywards Heath is nearly £1,000 - it's more than that from Brighton.

At the beginning of the year fares rose by an average of 6 per cent. That was the lowest rise for 11 years but was still higher than the rate of inflation. In 1982 the rise in fares was almost in double figures. But the rates - always a good talking point at London dinner parties - are lower.

Paul Hutchings of Hampton & Son, says: "Most people who move out reckon the reduction in rates pays for the cost of the travel in each day."

But it's not altogether as simple as that.

Journeying to and from the station, and to the office and back at the other end, can add a good hour to the complete journey. David Mitchell says: "We reckon that the average commuter is prepared to spend an hour in the train, but that often means two hours before he actually gets to work." And when you hear of a house advertised as 'an hour from London' it really depends which part of London you have to get to.

For those who want rural delights without rural salaries commuting is a large slice out of life - and it's expensive. In London or the better served suburbs the family can manage with one car. In the country it's difficult to manage without two - one to keep your space warm in the station car park (if you can find a space) and another to ferry the kids to school and get the shopping.

Country mums spend their lives in the driving seat. If you have three children at different schools with the little one coming home at lunchtime it is perfectly possible to find yourself driving 100 miles a day - many wives certainly travel 50.

A country friend swears he won't venture out on the roads between 8 and 9 am because it is full of frantic housewives who think there are in training for the Monte Carlo rally.

Fuel bills are higher in the country, not just because the exorbitant is likely to have moved to a bigger house - without neighbours either side the pounds just disappear through the walls as in those rather upsetting government guides to insulation.

There are some fringe finan-



cial benefits - getting a daily is cheaper, £2 an hour instead of £4 in London, the cost of insuring your possessions should be cheaper, too. But anyone whose idyll has included a few acres (if not the cow) will know that the cost of keeping up land is immensely expensive and time consuming.

So what of the much vaunted superior quality of country life? I still love London - the West End and Fleet Street anyway - in the way I love other people's babies. Great for a day so long as I don't have to live with them EVERY day.

Ponds and more ponds

My own children (we moved out of London before my eldest was one year old) have never known anything other than a huge garden with lots of trees to climb and plenty of space to bicycle without having to resort to the roads.

But while parents may feel that a country house in generous grounds, hidden away from view is an ideal existence,

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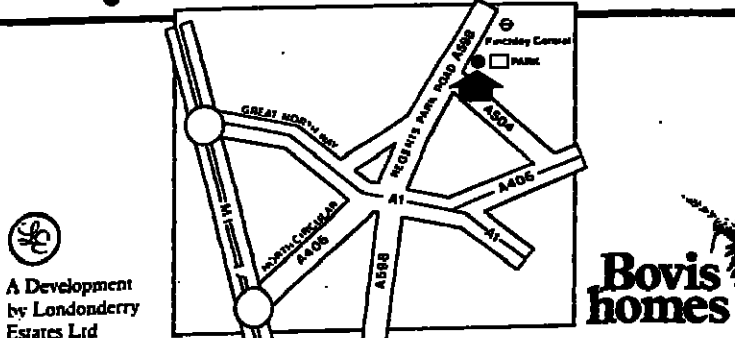
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Total for amenities	3,005	2,275
Repairs element	4,200	3,000
REPAIRS GRANT	6,500	4,800
SPECIAL GRANTS		
Standard amenities	Depends on number of amenities needed	
Means of escape from fire	10,800	8,100
Repair works	4,200	3,000

The theory of home improvement grants suggests a rosy picture of large sums ready for the hard-pressed home owner trying to make life easier. The reality, alas, is rather different. Local authorities who administer the system are often unable or unwilling to give anything but the mandatory grants. Even those authorities with the political will to be generous, such as Bromley, in south London, have had to delay the processing of grants because

of a rush of applications to beat a March 31 deadline when the rate for certain grants dropped from 90 per cent of the cost to 75 per cent. Other authorities, like West Sussex County Council, have closed their waiting lists.

But the good news is that of the four categories of grants, intermediate grants are a right, no matter what the state of the local authority. Grants are given only for your main home. Cottages and holiday homes are not eligible. As a homeowner you must either be the freeholder or have a lease with at least five years to run, and the house or flat must have been built or converted before 1961 for an improvement or intermediate grant, or built before 1919 for a repairs grant.

The last hurdle is that the rateable value of your property must not exceed £400 in Greater London or £225 elsewhere, but higher rateable values apply for

buildings being converted into flats. Some councils will ask for builders' estimates before approving a grant application in principle - others will ask for estimates only after they have agreed that the works will be grant-aided.

It may be worth getting advice from an architect or surveyor. Their fees can be included in the eligible expenses which form the basis of the grant calculations. If you cannot find one, the local authority should keep a list of people experienced in grant-aided work.

You can also claim the full £4,200 eligible expenses in London or £3,000 elsewhere for repairs but the council will then insist that the whole building is put into shape. If your local authority is a stickler for detail and you do not intend to do thorough jobs, you could end up with more extra expenses than extra grant.

The alternative is to apply for a minor repair grant which is limited to £420 per amenity in London with a maximum of £1,680 or £300 per item with a maximum of £1,200 outside London. Then you will not be forced to come up to scratch.

If you live in London and intend to install an inside toilet and a bath with hot and cold water, the basic allowable expenses limit would be £680 for the toilet, £450 for the bath and £570 for the water supply to the bath, making £1,700 - the maximum grant of 75 per cent of eligible expenses would be

£1,275. The repair element of the grant would be on top of this.

The discretionary grants are improvement grants, repairs grants and special grants, and separate grants are available for loft insulation.

Improvement grants are aimed at bringing seedy homes up to scratch and at creating extra housing by the conversion of large houses into flats. These grants will not normally be given for improvements to modern houses. For instance, a grant for installing central heating will be given only if it is part of a major scheme of improvements. Not more than half the grant can be given for repair and replacement as opposed to improvement, but in dire cases this can be stretched to 70 per cent. Houses in very bad condition, in housing action areas or for the disabled get a priority rating.

Repairs grants are for substantial works on the basic structure of the house such as major overhauls of the roof, walls, floors or foundations. Special grants are for houses in multiple occupation where the tenants share facilities. The grant covers putting in baths, basins and the like and the construction of fire escapes. Special allowances are made for the disabled, housing action areas and buildings of architectural or historic interest in all grant categories.

Grants are usually handed over when the work has been finished and the council has checked that it has been done to its satisfaction. But some authorities are willing to pay by instalments or to pay the builder directly, which means you do not have to bear the financial burden of the grant while the work is in progress.

Vivien Goldsmith

Prices outlook healthy and accurate

In the spring a young man's fancy turns to buying a house. The same is true of many others as the desire for a house of one's own pushes home ownership towards 63 per cent and the drive to move to a better home keeps the property market

During the last two years, house prices have gone up steadily if unspectacularly, keeping ahead of inflation, and the indications for this year are that they will move healthily upwards in many areas but are unlikely to start leaping ahead.

It is always difficult to obtain an accurate picture of house-price movements because they depend on averages, and no one seems to have an average house. In the last fortnight, the picture has become more confused with contradictory surveys leading to headlines such as "Home prices up - or down?" While the Nationwide Building Society reported an increase of 3.5 per cent in the first quarter of this year, Abbey National showed a reduction of 0.5 per cent.

The Halifax, the largest building society in the country, has now entered the fray with a

new and elaborate price index which it claims, with some justification, is the most detailed and scientific assessment of the market, and hopes will prove the most reliable indicator of house price levels.

The basis for the index is about 12,000 individual prices a month. The Halifax, with the aid of its computerized mortgage applications procedure and of assistance from Loughborough and Keele Universities, has been able to make use of a vast amount of information which influences price levels.

The perils of looking at crude changes are illustrated by the fact that if one month the building society lent mainly on four-bedroom detached houses and switched to small terrace houses the next, it would show a fall in the average price of all houses. Numerous adjustments have to be made to avoid such an error.

Producing its first results last week, the Halifax showed that prices rose on average by 7.3 per

cent in the year to March 1984, and by 0.5 per cent in the first quarter of this year - lower figures than most other surveys but which Halifax is convinced are accurate.

Prices are now poised to increase until the summer, for the market traditionally picks up in the spring, and this year it has been given the boost of reduction in stamp duty announced in the Budget and a plentiful supply of mortgage funds.

The increasing activity that comes as a result will push prices up, but any general increase is tempered by the high level of unemployment and the low level of pay increases.

Variations in price rises in different parts of the UK are clearly shown in the Halifax index. In the South-East, the increase was 9.3 per cent in the past year and 1.1 per cent in the first quarter, with demand growing and evidence of shortages of property. Greater London, too, showed a substantial

increase in the year (10.6 per cent), with the trend continuing in the first quarter of 1984 (up 2.6 per cent).

East Anglia, helped by improved road systems with the M11 and M25, showed a strong rise in property values over the year (9.6 per cent), although the figures for the quarter show a levelling-off.

Where the recession is having more effect, and unemployment is high, the story is different. The North-West showed an increase of 4.4 per cent in the past year but a fall of 0.8 per cent in the first quarter of this year, and the North's increase of 4.9 per cent last year turned into a fall of 1.3 per cent in the first quarter.

The West Midlands, Wales and South-West all had increases below the average last year but are showing modest increases for the first quarter, while demand remains strong in Scotland, where the increase over the past year was 10 per cent.

The latest Financial Weekly Incorporated Society of Valuers and Auctioneers survey supports these broad conclusions, noting a 2.5 per cent increase in the average price of houses and flats in the first three months of the year. The survey, which was carried out after the Budget, notes a strong demand for properties for first-time buyers, a trend likely to be emphasized by the raising of the stamp duty threshold, which frees many first-time buyers from that burden.

Valuers responding to the survey were confident that the improvement in the market would continue and accelerate during spring and early summer, provided there is no sizeable reduction in the flow of funds to the building societies and provided the economic recovery continues.

The survey shows that whereas all types of property are increasing in value in more prosperous areas, particularly in the South, there is a poor demand for modern, executive-style, four-bedroom properties in many areas. Whether the widespread upturn in the first-time buyers' market will ultimately work its way through the system to push up demand for more expensive properties is unclear, because demand for this type of house may continue to be depressed where potential purchasers are unwilling to commit themselves to large mortgages in an environment where security of employment is less certain.

"If this situation continues, then some areas of the country

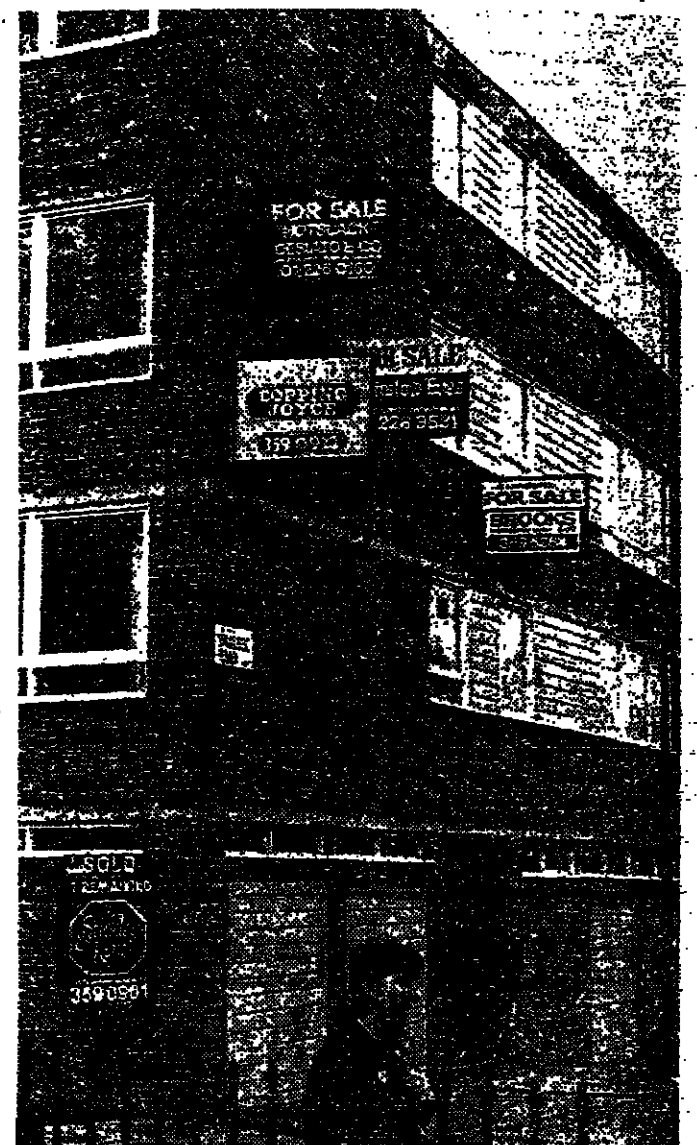
may experience shortages at the bottom end of the market with prices moving up sharply due to increases in demand, with prices continuing to stagnate at the top end of the market," the survey suggests.

Two other factors may have a significant effect on the market. First is the shortage of land, particularly in the South-East. Builders are running out of plots, and while they are pressing for a "realistic" view of planning for green field sites - that is they want more land - the shortage means that the 40 per cent of the cost of a house in this area is the price of the land.

The New Homes Marketing Board advises potential purchasers that "there has never been a better time to buy a brand new home, and there may never be such a good time again." Their reasoning is that houses are now better-built and provide a wide choice of property, but that because of the shortage of building land fewer new homes may be built in the future.

A second factor is the imposition of VAT on all house alterations and improvements, announced in the Budget, which may put some buyers off an older property needing renovation. It is too early to come to a conclusion, but valuers have recently been reporting this reaction, with prices of unmodernized terrace houses falling. In general, though, the housing market is healthy and steadily becoming more active.

Christopher Warman
Property Correspondent



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1. Datchet, 2 bed bungalows from £45,950

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3. Bar Hill, 2 & 3 bed houses from £22,250 - £37,950

CORNWALL

1. Newquay, 2 bed bungalows from £24,100

HAMPSHIRE

2. Clompton, 1, 2 & 3 bed houses from £25,000 - £35,000

2. Kingsworthy, 4 & 5 bed houses from £25,000 - £37,000

HERTFORDSHIRE

3. Abbots Langley, 1, 2 & 3 bed houses from £31,500 - £55,000

3. Chorleywood, 3 bed bungalows and 4 bed houses from £59,500 - £127,000

KENT

3. Hatfield, 3 bed houses from £31,500 - £55,000

3. Herford, 2 bed bungalows from £31,500 - £55,000

3. St. Albans, 1, 2 & 3 bed houses and 1 bed studios from £31,500 - £55,000

LONDON

2. Sevenoaks, 4 bed houses from £103,000

2. Southborough, 2 & 4 bed houses from £103,000

SUSSEX

1. Back Heath, Studio flats and 3 bed houses from £31,500 - £55,000

1. Camberwell Grove, 2 bed houses and 1 & 2 bed flats from £31,500 - £55,000

1. Ealing, 1 & 2 bed flats from £31,500 - £55,000

1. Fulham, 2 bed flats and 3 bed houses from £64,750 - £110,000

1. Hampstead, 1, 2 & 4 bed houses and 1 & 2 bed flats from £57,500 - £105,750

1. Merton Park, 1 & 2 bed retirement apartments from £29,750

1. Ovington, 1 bed houses and flats from £29,750

1. Putney, 1 & 3 bed houses and 2 bed bungalows from £24,500

MIDDLESEX

1. Staines, 3 & 4 bed houses from £59,500

SURREY

1. Ashford, 1 bed retirement maisonettes from £35,000

1. Cobham, 3 bed houses from £81,000

2. Dorking, 1, 2 & 3 bed houses from £36,000 - £62,000

1. Guildford, 1, 3, 4 & 5 bed houses, 1 & 2 bed maisonettes, 1 bed retirement maisonettes and 2 bed retirement bungalows from £26,500 - £59,000

1. Walton-on-Thames, 3 & 4 bed houses from £59,450

1/2. Woking, 1, 3 & 4 bed houses, 1 & 2 bed maisonettes from £27,000 - £59,000

1. Woking, 1 & 2 bed flats from £31,500 - £37,950

1. Worcester Park, 4 bed houses from £81,000

SUSSEX

2. Bexhill, 1 bed houses and 3 bed chalet bungalows from £22,250 - £51,000

2. Burgess Hill, 1 & 3 bed houses from £31,500 - £55,000

2. Crawley, 1, 2 & 3 bed houses from £31,500 - £55,000

2. Worthing, 4 bed houses from £31,500 - £55,000

2. Little Common, 3 & 4 bed houses from £31,500 - £55,000

THE NORTH

4. A wide range of houses, bungalows and flats at Austerfield, Beccar, Bridlington, Branton, Derby, Featherstone, Fley, Grimsby, Grimsby, Hartlepool, Haxthorpe, Hildesheim, Knaresborough, Leeds, Lymington, St. James, Northampton, Rotherham, Sheffield, Shephard, Silstone, Thirsk, Warrington and Wetherby.

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It takes a vivid mind to imagine the home of your dreams when you are actually looking at a tumbledown wreck. But imagination is not all it takes to transform a ruin into a home: it also takes determination, persistence and patience, and of course, cash - lots of it.

Usually the price of a property will more than compensate you financially for the extra cost of putting it right. But this is not necessarily so. Estate Agents Chestertons are currently selling Church Commission houses in Maida Vale, London, for around £120,000. They need £60,000 worth of work on them yet they are worth £180,000 done up.

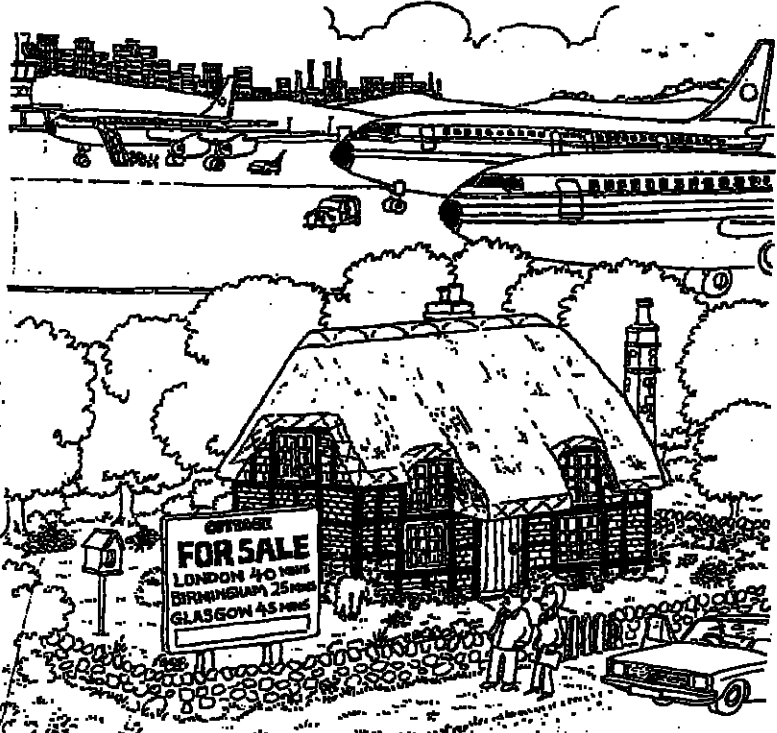
"This is the exception to the rule," said Tony Botham of Chestertons. "The profit comes for individuals when they do the work themselves. People are expecting the value of houses in the area to rise in the next few years."

Chestertons are also selling houses on the Lloyd Baker estate in London for around £75,000. They need between £40,000 and £60,000 spending on them and are worth £120,000 to £130,000 when finished.

But these relatively slim margins do not reflect the fact that once the house is fit to live in the renovations and redecoration can be done gradually over a period of years.

Raising the finance for an older property can be a problem but banks and building societies are keen to lend at the moment, and so long as the mortgage is not for a huge proportion of the cost of the house, it should be possible.

Finding out just how much it will cost to put an elderly house into order involves hiring professional help. You would do well to start with a full structural survey rather than the standard house buyers' report usually



Karl Rine

done for the building societies. This should point out any structural defects and point to major hazards.

An architect or surveyor specializing in design work will expect to be paid for any consultation on a proposed project although some may be willing to have a free chat before preparing drawings and charging.

The Royal Institute of British Architects advises on scale fees which can range from 2 per cent to 15 per cent of the cost of the work. Architects will usually be willing to negotiate a fixed price for a small job that will not

involve too much supervision work. Builders do not normally charge for an estimate and it is a good idea to take a builder to look around your dream home.

It is always worth employing a builder to be responsible for the various tradesmen who will have to work on the building. Trying to coordinate the project so that the electrician, plumber and carpenter are not undoing each others work is a skilled job - without thinking about getting all the raw materials on site and organising skips and scaffolding.

The Federation of Master Builders has a small register of members in its warranty scheme and the Building Employers' Confederation is also trying to set up a guarantee scheme but they are having problems with the Office of Fair Trading. Even if your builder is not part of a guarantee scheme you should always check he has proper insurance cover and get your agreement with him in writing - an estimate is very different from a quote.

A fixed price contract may include a clause which allows the price to vary with the cost of raw materials. The *Which?* Book of Home Improvements and Extensions published by the Consumers' Association (£12.95) includes a specimen contract with a builder as well as lists of useful addresses to help you track down a builder or architect.

If you do not have friends who have had a happy experience with their workmen it is worth touring your local streets to find a house that looks as if it is being well done. Talk to the men on the site, talk to the builder and then to the house owner.

It is important to get it clear whether you are going to be able to live in the property while it is having its refit. Clearly if you are going to have to hang on in your old house or live in a hotel while the workmen are at work, will add considerably to the cost of the operation. But if you are coping in the tattered house this will make life much harder for the builder and will certainly be hard for you.

So, how much will it cost? One very rough rule of thumb is that it costs about £25 a square foot for renovations and £50 or £60 a square foot for new single-storey extensions.

A 180 sq. ft. extension for a kitchen and a bathroom would cost about

£10,000; lifting a roof to make an attic would cost £6,000 to £8,000.

The *Which?* book calculates how much of the cost of various improvements will be reflected in the value of the property. This can vary from the £3,300 cost of an unheated sun lounge increasing the value of the house by just £500, to a £5,500 extension for a new bedroom and bathroom putting up the value of a house by up to £10,000.

Building costs are due to rise in June because of the imposition of VAT on all improvement work and a new wage round in the building industry.

Although asking how much it would cost to renovate a house is like asking "How long is a piece of string?" Hampstead architect Jacob Blacker agreed to set a specimen costing for a small three-storey terrace house in North West London. It has three bedrooms, a living room, dining room, two bathrooms, kitchen and hall. The house has a floor area of 1200 sq. ft. We have also costed the same works for a flat of the same area.

Mr Blacker's make-believe house is in a poor state of repair and needs new bathrooms, a new kitchen, cupboards, flooring, heating and rewiring, but we are assuming that it has a supply of electricity, gas, water and telephone connections.

The span from the minimum to maximum range is not difficult to account for when a simple thing like carpet can cost £7 a sq metre or £27 a sq metre. The total cost for the house came out at between £35,350 and £51,050. The surprising thing was that a flat of the same size would cost between £33,750 and £49,750 - more or less the same.

Vivien Goldsmith

COSTS FOR A HOUSE OR FLAT

	Min £	Max £
Structural work (two rooms to one and new bathroom walls)	1,500	3,700
New walls	2,200	2,800
Doors (new)	800	1,100
Windows (double glazed)	1,200	1,200
Ceilings repair	650	650
Decorations and painting (average price per room - £450)	3,600	4,800
Drainage	650	650
Plumbing (hot and cold water)	1,600	1,600
Heating (14 radiators)	2,800	2,800
Electrics - rewires (29 light fittings, 24 sockets)	2,250	2,950
Light fittings (29)	600	1,900
Bathroom fittings (2 bathrooms)	1,700	2,700
Kitchen fittings	4,500	8,000
Kitchen machines - cooker	650	1,100
fridge/freezer	200	300
dishwasher	380	550
washing machine	240	450
tumble dryer	300	300
Flooring to kitchen and bathrooms	650	900
Thing to kitchen and bathroom	550	800
Flooring - carpet (10.80 per sq yd)	1,200	2,400
Bedroom cupboards, living room units	2,000	3,000
TOTAL	30,200	44,650

ADDITIONAL COSTS FOR A 3 STOREY HOUSE

Roof repairs and flashings	1,600	1,900
Dampproofing basement and replastering	1,500	1,500
New concrete slab to ground	1,200	1,200
New basement stair flight	850	1,600
TOTAL	5,150	6,400

TOTAL FOR HOUSE

35,350	51,050
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ADDITIONAL COSTS FOR A FLAT

Floor insulation - noise	600	800
Fire resisting doors to all rooms	1,200	1,500
Drainage difficulties	250	300
Common part repairs and maintenance	1,500	2,500
TOTAL	3,550	5,100

TOTAL FOR FLAT

33,750	48,750
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Costs are exclusive of 15 per cent VAT

If you want to do your own conveyancing

Austin Mitchell's Home Buyer's Bill put a lighted firework under the well-padded seat of the solicitor with its proposals for ending the solicitor's monopoly of conveyancing. Since then, after the Government took over the Bill to present its own proposals for legislation, solicitors - largely through the Law Society - have been hopping about in pain as they try to come to terms with facing direct competition for their conveyancing services.

Estate agents are feeling aggrieved by a report in *Which?* chronicling complaints of the public in dealing with estate agents, and recommending do-it-yourself or the use of a computing listing service in finding a house to buy.

Solicitors will continue to conveyancing, and estate agents will continue to buy and sell houses for their customers, but both now know that the change in attitudes means that they will have to provide a better and cheaper service or risk losing.

Fees and charges vary considerably, but a solicitor normally charges around 1 per cent of the cost of the property for his services. Figures published by the Woolwich Building Society, and quoted in the *Which?* report, show that a solicitor's fee for the sale of a £35,000 house is in the range £200-£449 (including VAT) and for a £45,000 house is £232-£532, including the fee for acting for a building society.

Sell it yourself to save money

The estate agent's fee for the sale of the £35,000 house varied from £604 to £1,006. In general, agents' fees range from 1.5 to 2 per cent for a multiple agency.

If you are selling a house *Which?* recommends trying to sell it yourself in the hope of saving several hundred pounds, simply by putting an advertisement in the local paper or putting up a home-made-for-sale sign. Another method is through property shops or computer listing firms.

Property shops can be simple premises where brief details of properties are displayed or a flat-rate fee whether the are sold or not, or be more like traditional estate agents, where the main difference is their method of charging the seller - by registration fee, monthly charge or flat-rate fee when the property is sold.

Seekers, the largest chain of property shops, charges £92 to market a property.

Under the computer listing system, firms such as Hmeline take a non-refundable registration fee (up to £11.70) in return for storing details of a property on a computer. Buyers give their requirement paying no fee, and receive a computer print-out of property that might match their needs.

Estate agents are themselves changing, with an increasing emphasis on larger groupings to replace the hundreds of one and two branch agencies. Black Horse Agency, a subsidiary of Lloyds Bank, was set up only two years ago but is now the largest chain of estate agents with 156 agencies.

Another new grouping is the Abbey National Property Service, which has nearly 900 offices in the UK.

Roy Mercer, general manager of the Black Horse Agency, expressed himself "disappointed" with the *Which?* report, describing it as narrow and misleading. He believes the estate agency is the best means of buying and selling through personal service.

There is no doubt, however, that some estate agents are better than others, so the customer is well advised to shop around to compare charges (and the hidden extras) before instructing an agency. And remember to agree only to a "no sale, no fee" arrangement.

The solicitor's monopoly extends only to the deed of the transfer, which must be prepared by a solicitor, barrister or notary public, or by a person doing the conveyancing work on his home. Until five years ago, the percentage of work done by non-solicitor conveyancers amounted to no more than 1 per cent, but by last year that figure had doubled.

When moving home, the two main concerns in this most expensive of transactions are the level of competence of the person carrying out the work, and the insurance if something goes wrong. The Law Society, representing 44,000 practising solicitors, is convinced that only its qualified members satisfy both criteria.

The National Association of Conveyancers, set up five years ago to represent non-solicitor conveyancers, regards its qualifications, based largely on experience, as often superior to that of solicitors, while claiming that its insurance backing is "watertight".

The association demands 10 years' practical experience of conveyancing or five years plus a legal qualification before accepting a member.

The fees charged by non-solicitor conveyancers vary, but they tend to be around 1/2 per cent of the price of the property. David Ashford, the association's chairman, charges £120 plus VAT for a house costing £25,000, £165 plus VAT for one costing £40,000, and £225 plus VAT for one costing £60,000 - all the figures excluding any fee for acting for a building society in a mortgage transaction.

The do-it-yourself conveyancer, if he or she is prepared to take on the ghostliness of it all, must be super confident, but there are books to help. *The Conveyancing Fraud* by Michael Joseph, a solicitor, explains how to buy and sell your home without a solicitor, looking at every detail.

The options may soon multiply

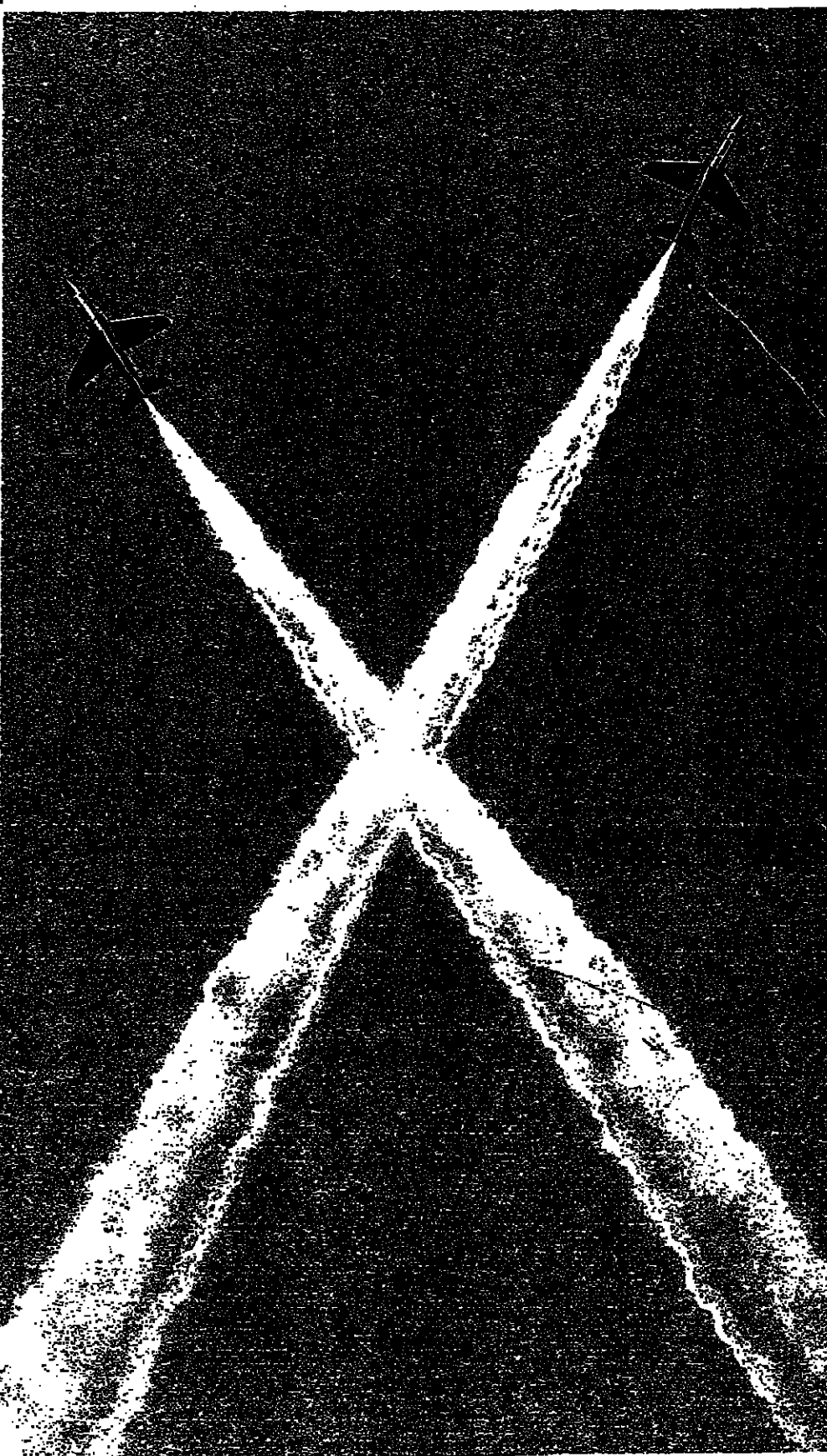
Another is *Bradshaw's Guide to DIY House Buying, Selling and Conveyancing*, by Joseph Bradshaw. There remains the possibility that something will go wrong, which is where the solicitor's insurance is a comfort.

The alternatives to solicitors and estate agents are now increasingly available. If the Government's proposals become law, the choices will multiply. Estate agents will do conveyancing, solicitors will become estate agents, building societies will do both - the trend is unmistakably towards complete packages being offered to the customer, to see him out of one house and into another quite painlessly. But how much will it cost?

- Seekers (01-328 7251)
- Homeline (01-221 3838)
- National Association of Conveyancers, 2-4, Chichester Rents, Chancery Lane, London WC2A 1EG.
- The Conveyancing Fraud from 27, Occupation Lane, Woolwich, London SE18.
- Bradshaw's Guide from Castle Books, Blackdown, Leamington Spa, Warwickshire CV32 6RA.

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FINANCE AND INDUSTRY

Executive Editor Kenneth Fleet

Minford and the art of public spending

Professor Patrick Minford, from an improbable academic base in one of Britain's unemployment black spots, has spent five years urging the Thatcher Government further and faster along the path of monetarism. Now he has turned his attention to public spending, in a macroeconomist's despair, he says at the way in which policies for economic growth are being wrecked on underwater microeconomic obstacles.

It is an understandable view. Professor Minford's forecasts have proved unexpectedly good on inflation, but predictably bad on unemployment. So at the heart of his public spending plans is a restructuring of social benefits which he believes - would dramatically increase employment by sharpening the incentive to work.

It must fairly be said that Minford on the political economy of public expenditure is much more interesting than Minford of the econometrics of output and prices. And his timing is well-chosen. The Treasury has just produced a Green Paper on public spending which fails to meet even its own propaganda objectives. By prating of spending pressures without quantifying them, it has reinforced its critics' view that there is no real crisis - than any government in the late 1980s faces the pleasant choice between new public programmes and bigger tax cuts. And by assuming no further real cuts in public spending, the Government has infuriated its right-wing critics into believing it has "given up".

Professor Minford has certainly not given up. He has the idealist's ruthless consistency, a challenge to all of us whose response begins, "No, minister." What Minford tries surgically to do is separate the objectives of social policy from the mechanisms, because he believes the main existing mechanisms of state production and state purchase are inherently inefficient. Therefore, says Professor Minford, he and the welfare lobby are on the same side: a less wasteful means of meeting the objectives of social policy will deliver more welfare, better health and education, greater relief of poverty.

State production, he says, is inherently wasteful because it is monopolistic. Even if it is not a natural monopoly (eg, British Airways, British Leyland), pressure on government will lead to anti-competitive advantages (import controls, route restrictions) being granted to it. Even natural monopolies must be kept in check by periodic competitive tendering for operating licences. The state may own, but in Minford's book must not run, any of the means of production.

But even if all public production were contracted out to private suppliers, Professor Minford would not be satisfied. State purchase, he argues, is wasteful too: the free (ie, tax-financed) services it provides will either be over-supplied, or rationed, or possibly both. Out should go health, education, pensions to private purchase - the only exceptions should be those truly "public goods" for whose purchase society is the "natural club" (that is, defence, law and order, roads and sewers).

But the state has, in Professor Minford's view, one crucial remaining task - the efficient relief of poverty. This, he argues, in the most compelling section of his analysis, should be accomplished by a much simplified tax-benefit system. It rests on two supports: a far higher level of child benefit (£22 a week, on his illustrative figures) and a "negative income tax" paid to any couple earning less than £110 a week. Taking one other leaf from the spending lobby's book, he argues that a government no longer distracted by the production of everything from school meals to cars would be able to concentrate on one particular public good - the country's "infrastructure", on which it should spend another £2 billion a year.

Professor Minford then attempts to put

alluring figures on the whole package. Even after allowing for health and pensions insurance, plus education costs, all families appear to have a higher disposable income in Professor Minford's world than in Mrs Thatcher's. At second blink, the figures begin to fray. Most families would be paying more directly for housing, because Professor Minford assumes mortgage relief and housing subsidies and benefits would disappear.

For health and education, he has chosen the most favourable figures in each case: present-day private insurance costs for health (though these do not, on the whole, cover expensive long-term services like geriatric care) and average public costs for education (though private fees are higher). Nor has he allowed for the loss of marginal means-tested benefits like free school meals. Moreover, he has certainly underestimated the cost of a universal negative income tax - particularly since the cuts in unemployment benefit he calls for are designed to force many more unemployed people into work at low wages, and hence into eligibility for such a tax benefit.

His figures do allow for some slippage: a net saving of £3.8 billion by 1990, even before allowing for the gains from higher output he believes would follow. But that is only about as much as the Government's annual contingency reserve, and would be as easily absorbed. Even Professor Minford's leaner and fitter state seems to have its Achilles' heel - he is soft on the arts, for example, and there are other areas where "specific subsidies" (eg, to persuade students to follow particular unpopular courses) seem to fall within his definition of "public goods".

But, as he says, his ideas are conceptual - and it is the concepts that deserve real argument. Public production is wasteful, right enough - but there is obvious waste too in, for example, the American system of private health care.

The purchaser of health care is far more vulnerable than the purchaser of groceries or even of education; thus the state would have to provide some kind of inspectorate, as it does for schools, as a counterweight to the power of the medical cartel.

With that in place, and medical insurance made compulsory, how different would the system be from one in which the state retained control, charging the taxpayer, not the user, for services. In the influence of competition on hospital management, Minford would answer, and here we reach the crux of the argument. For the urge to privatize stems fundamentally from the power of public-sector unions and the impotence of public-sector management. On the first, governments of Mrs Thatcher's views have a right to say that public unions dig their own destruction: privatizing state production is the logical counter-strike.

Even in Professor Minford's world, the state needs to be, for example, a more efficient purchaser of defence goods: Mr Michael Heseltine is perhaps the first Defence Secretary to realize how private-sector suppliers have been taking the state for a ride. "Infrastructure" investment is another area where public purchasing has been notoriously weak.

Back in Mrs Thatcher's world, where "the National Health Service is safe with us", the state will inevitably retain a much larger managerial role than Professor Minford would wish. When he shakes the trunk of traditional assumptions about the role of the state, a few more apples may fall from the tree. But the management of its many branches remains the primary unsolved job of the Thatcher Government; it cannot be whistled or Minfordized away.

*State Expenditure: A Study in Waste. Institute of Economic Affairs.

Sarah Hogg
Economics Editor

Govan 'close to' Hongkong tanker order

By John Lawless

British Shipbuilders' Govan yard on the Upper Clyde is competing strongly for tanker order from Hongkong, which could lead to contracts for two others.

A senior management team, led by the BS chairman, Mr Graham Day, said while visiting Hongkong that it might announce an order "very soon". Mr Day told the Hong Kong Trade Development Council's

Monitor publication that there could be two or three orders "if we are very lucky". A BS spokesman confirmed that if the order was won it would carry an option for two more.

In Hongkong with Mr Day were Mr Eric Welsh and Mr George Parker, managing directors of the Sunderland Shipbuilders and Austin & Pickers gill yards, which have just

completed a bulk carrier and a cargo vessel for different Hongkong fleet operators.

Mr Eric Mackay, Govan's managing director - who has visited Hongkong twice for talks - said, that detailed technical specifications of the vessel had yet to be formulated. "There is still a long way to go, but we are getting on well while under worldwide competition," he said.

AMERICAN NOTEBOOK

Good news depresses markets

The American financial markets, finding pleasure only in reports of recession, fell sharply on Friday in news of unexpectedly good figures for industrial production in March and car sales in the first 10-day selling period of April.

The financial markets are frightened of continuing economic expansion, being convinced it would bring back the inflation that led to such a drastic confiscation of wealth in the form of financial assets between 1977 and 1981.

So when it was announced on Friday that car sales in the first 10 days of April rose slightly, 0.4 per cent in March (well below recent monthly increases) and manufacturing and trade inventories rose a big 11 per cent in

February, the financial markets fell into gloom to the accompaniment of a big sell-off.

None of the evidence of a moderating rate of economic growth would mollify the markets. Even the news that retail sales fell a (heartening?) 2.2 per cent in March (far above expectations) did not give the markets sufficient courage to maintain on Friday the slight revival that followed the retail sales news on Thursday. Nor were the financial markets buoyed up for long by the news that the money supply M1 fell a huge \$5 billion (\$3.5 billion) in the latest week. Such a result would in other times have given bonds a big lift.

No, the markets are looking at one thing only - the rate of inflation. When the March number for the producer price

index was announced on Friday morning, the markets began to keel over. The increase in the producer price index during March was 0.5 per cent after a rise of 0.4 per cent in February and 0.6 per cent in January. Hence, during the first quarter of 1984, the producer (wholesale) price index rose at the annual rate of more than 6 per cent. This compared with a rise of 0.6 per cent in the year ended December 1983.

The Treasury Long Bond, the 12 per cent issue of 2013, fell from 96½% at Thursday's close to 95½% at Friday's close. Treasury bond futures also fell sharply. The June 1984 T-Bond contract at the Chicago Board of Trade fell from 66½% at Thursday's close to 66% at Friday's close - a very big drop

of ½% in one day, to match the drop of more than one point in the Long Treasury Bond in the cash market.

The stock market, which had risen 27 points on Thursday, lost seven points. The dollar rose sharply, up from Thursday's 2.6133 Deutschmarks and 233.85 yen to DM2.6378 and 225.28 yen.

There could hardly be any more convincing example of the panic of the financial markets in America. They are totally preoccupied with the threat of inflation. The producer price index showed that inflation is increasing, hence, the markets reduced the prices of financial assets. In the case of fixed interest assets, the reduction was sharp indeed.

Maxwell Newton

Japan and US seek private solution to loan impasse

By Sarah Hogg and Peter Wilson-Smith

Private meetings begin in Washington today in an attempt to patch up the disagreement between the American and Japanese governments which caused a deadlock in last week's discussions between the world's leading finance ministers.

The World Bank Development Committee, dominated by the industrial governments which are the bank's main shareholders, broke up in disarray on Friday because the United States Government would not give final agreement to a selective capital increase for the World Bank unless the Japanese Government agreed to further liberalization of its capital markets. These financial controls, the Americans argue, are helping to depress the yen

and make Japanese exports cheap.

The Japanese Government, for its part, is refusing to provide its contribution to the seventh replenishment of funds for the International Development Agency, the World Bank's soft-loan agency, without agreement on the capital increase. A representative told last week's meetings in Washington that agreement must be reached in time for a bill to be passed through the Japanese parliament by the end of May, or the whole deal would fall through.

If agreement is not reached between America and Japan, the two biggest industrial economies, the financial package generally agreed by the World Bank's shareholders will collapse.

The United States is clearly reluctant to take responsibility for such a failure, but the Reagan Administration needs some concessions from the Japanese this week to enable it to reach a compromise, because time is running short.

New figures published at the weekend by the investment bankers Salomon Brothers of New York underline the need for World Bank finance to developing countries.

The amount of new international bank credit during the first quarter of this year was only \$7.7 billion (\$5.4 billion), excluding the \$6.5 billion rescheduling package for Brazil, according to Salomon Brothers.

However, the volume of international bonds was much higher - a total of \$26.5 billion

in the first quarter of this year - reflecting their growing importance at a time of commercial bank caution. And Brazil's leading private banker, Mr Oswaldo Roberto Colin, said at the weekend that Brazil's worst financial difficulties are over.

Argentina, whose failure to come to terms with the International Monetary Fund had also exercised finance ministers during last week's meetings, is now said to be on the brink of agreement.

And in a postscript to the Washington meetings, a group of officials from the Group of 10 industrial countries is said to have concluded the study of the international financial system called for at last year's Williamsburg summit.

CBI warning on pension costs

By Derek Harris
Commercial Editor

The Government could threaten the prosperity of businesses at a time of uncertain economic future if it adds further cost burdens to the state and occupational pension schemes. This warning came yesterday from the Confederation of British Industry (CBI) in its evidence to the Government's special inquiry into pensions.

The employers' organization also says people should be given more choice and opportunity to top up retirement provisions at their own expense. Yet it emphasizes that pensions must provide adequately for the retired and their dependants.

The Government as an employer should discontinue full indexation of public sector pensions, the CBI says. They should be brought into line with what is available in the private sector.

It calls for a third tier, on top



Sir Terence Beckett: Government should consider evidence carefully.

of state and occupational schemes, which would allow people greater choice in topping up the two other layers at their own expense, but with tax relief. Portable pensions could be part of the third tier.

Those taking early retirement should be allowed to transfer the value of any deferred

occupational pension into their own portable pension.

Given the agreement of its workforce a company should be free to offer portable pensions as an alternative to membership of an occupational scheme.

Indexation to improve the frozen pensions of early leavers should be a matter for voluntary action rather than compulsion, the CBI says. If the Government insisted on legislation there should be equality of treatment between deferred pensions and those on which payments were still being made.

The organization is critical of the short time allowed for consultation on the pension issues. It is "concerned" that employers are apparently to be taken on early leavers and personal portable pensions before the main inquiry. The director general, Sir Terence Beckett, said the Government should consider the CBI's evidence carefully before making those decisions.

Rothschild currency fund debut

By William Kay
City Editor

One of the most popular investment games nowadays is currency switching. But the hobby suffered a considerable blow last year when rollover funds were effectively killed by the Government.

That in turn pulled the carpet from under the feet of the market leader, an international currency switching fund called Old Court International Reserves. Run by part of the merchant banking group, N. M. Rothschild, it was worth £1 billion at its height last year. Now it has shrunk to £300m as British investors were forced to withdraw.

But today N. M. Rothschild launches an updated model, Old Court Currency Fund. It will qualify under the new Inland Revenue regulations as a "distributor", in that it will pay any interest to shareholders in the form of half-yearly dividends. This will achieve the object of taxing income and capital gains separately.

The hurdle, of course, the game can resume. Investors can buy as little as one share in Old Court Currency Fund in any one of 14 currencies, at a starting price equal to £10. It can be switched at will simply by a telephone call to Rothschild Asset Management in Guernsey.

On top of that, investors benefit from wholesale rates of interest. Rothschild will deposit the fund with a range of banks, about 35 at any one time. But by switching between banks, it is possible for Rothschild to take advantage of better interest rates.

Some currencies do, of course, offer higher interest rates than others, and so investors can construct a portfolio with a yield to suit their personal tax position. The Danish Krone is a favourite these days because it is linked to the Deutschmark through the European Monetary System but its banks' interest rates are attractive. Investors buying more than £100,000 of the shares qualify for a discretionary service by Rothschild.

Prospectus, pages 20-21

Directors critical of insolvency plans

By Graham Searjeant

Honest and competent company directors will be deterred from joining ailing companies just at the time their skills are most needed if the Government legislates on its proposed reforms to insolvency law, the Institute of Directors claims in a detailed response to the recent White Paper.

The institute says that if directors, especially those brought in to help save companies, are automatically disqualified in the event of a compulsory liquidation, or made personally liable in the event of wrongful trading, careful men will avoid high risk companies.

Professional directors "should not be put into the position of a barrister who was required to carry a personal liability to every client who lost a case, however competently

such a case had been presented", the institute adds.

Directors should be judged by whether they acted recklessly and not on what they know or ought to know about the state of a company's finances, according to the institute. And the White Paper's proposals for automatic disqualification of directors should be replaced by suspension until the case can be tried in court.

The institute is hopeful of success in its attempt to change the Social Security Act 1975 to abolish the personal liability of directors of failed companies for unpaid National Insurance contributions. It attacks any rule that imposes liabilities on directors "without proof of fault, but simply on a test of knowledge or imputed knowledge".

Decision soon on £20bn gas imports

By Jonathan Davis, Financial Correspondent

The Government is expected to reach a decision within a month on the controversial plan by British Gas to import £20bn of new supplies from Norway's Sleipner field from 1990 onwards.

Suggestions that the deal will result in a decision being postponed or allowed to drag on for several months are being firmly discounted by both

ministers and officials at the Department of Energy.

Mr Alick Buchanan-Smith, the Minister of State responsible for North Sea affairs, insisted last week that the Government would not be bullied into an early decision. The need to reach a quick and final verdict on the issue is acknowledged however as essential, not least to maintain

good relations with the Norwegians.

It appears increasingly certain that British Gas will win approval to press ahead with the Sleipner deal when the decision is announced. The main interest now centres on the extent to which the Treasury - which has led the critical attack on the deal - succeeds in extracting concessions in return for approving the deal.

BR likely to breakeven

British Rail is expected to show a return to breakeven when it produces its annual results for 1983 in the next few days. This compares with the £174m loss recorded in 1982, when the industry was hit by serious industrial disputes.

The figures are calculated after taking account of the Government subsidy for uneconomic routes, the so-called public service obligation, which last year was fixed at £819m. The Government has told British Rail to reduce its dependence on grant to no more than £635m by 1986.

This week's results are expected to show that British Rail picked up new business in its commuter division and in its parcels and freight divisions.

Inter-City routes are likely to show a big loss, partly because of competition from long-distance coach operators. British Rail's rate of return target on the Inter-City business is under review. The Treasury has said that it expects British Rail to undershoot its external financing limit of £953m for the present financial year.

STOCK EXCHANGES

Change on week
FT-SE 100 Index: 1129 up 32.8
FT Index 952.2 up 29.8
FT All Share: 532.00 up 15.79
Bargains: 24,688 down 7,171.
Datastream USM Leaders Index: 114.33 up 3.67
New York Dow Jones Industrial Average: 1150.13 up 17.91
Tokyo Nikkei Dow Jones Index: 1015.21 up 100.48
Hongkong Hang Seng Index: 1075.70 up 11.38

CURRENCIES

LONDON CLOSE
Change on week
Sterling \$1.4300 down 0.0015
Index 79.9 up 0.1
DM 3.7525 up 0.005
Fr 11.54 up 0.02
Yen 321 down 0.1
Dollar
Index 127.3 up 0.1
DM 2.6225 up 0.018
NEW YORK CLOSE
Sterling \$1.4245
Dollar DM 2.6387

BOARD MEETINGS

TODAY - Interim: Bryant Holdings Japan Assets Trust Land Investors. Final: Ash and Lacy, Barrow Hepburn, Boustead, Bowthorpe, Currys, Elbar Industrial Greenbank Industrial, Arthur Henriques, Johnson and Jorgensen Packaging Lamont, Lenu Holdings, Liquibaar Julius Baer US Dollar Fund, MCO Group, Oil and Gas Production, Raybeck, Solicitors' Law Stationery Society Sunlight Electronics, Turfitt Corp, Viking Resources Trust, Waco Group, York Trailer Holdings.
TOMORROW - Interim: Advast group Highland Electronics, Kalamazoo, Final: Arcoelectric Switche, BSG International, Comfort Hotel Hambro Life Assurance, TC Harrison, Harrison Cowley, Hawker Siddley, Northern Engineering, S Pearson and Son Holdings, Steel Bros, Webster Group.
WEDNESDAY - Interim: British Empire Securities and General Trust, Dowling and Mills, Free State Gauld, McKelvie Bros, President Brand Gold Mining, Welkom Gold Mining, Western Holdings, Final: Alabone and Sons, AMEC, Bank of Scotland, Boco, and Hawkes, British Printing and Communication Corp, British Syphon Industries, Brook Street Bureau, Cooper Industries, Horace Cary, East Rand Gold and Uranium, Fogarty, Juliana's Holdings, Microlease, Over Owen, RMC, Securities Trust of Scotland, R Smallshaw (Knitwear), Slyto, Sun Life Assurance Society, Tilbury Group, Wadkin.
THURSDAY - Interim: Audio Fidelity, SI Grp, Final: Bodycote International, Dunlop Holdings, Fortnum and Mason, Gene's Scottish Trust, Granplan TV, Photax (London), Polygram International, Southern Engineering, Tust, Toys and Co.
FRIDAY - Interim: None announced. Final: Renault Inc.

Clifford's Dairies

Highlights of 1983

- * Turnover up 8.7%
- * Pre-tax profit up 15.3%
- * Total dividend up 7.4%
- * Continuing growth in sales of cream, other dairy products and fruit juice
- * Capital investment of nearly £3 million, borrowings up £0.5 million

Four Years' Results	1983	1982	1981	1980
Turnover	66,676	61,360	55,894	49,473
Profit before taxation	3,211	2,784	3,300	2,156
Profit after taxation	2,709	2,393	2,448	2,480
Dividend -				
per share	5.8p	5.4p	5.0p	4.0p
times covered	3.8	3.6	4.0	5.1
Earnings per share	22.28p	19.68p	20.13p	21.95p
Net assets per share	182p	177p	166p	152p

Copies of the Report and Accounts for the year to 31st December 1983 may be obtained from the Secretary, Clifford's Dairies plc, Western Road, Bracknell, Berkshire RG12 1QA.



This document includes particulars given in compliance with the Regulations of the Council of The Stock Exchange for the purpose of giving information with regard to the Company. The Directors have taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no other material facts the omission of which would make misleading any statement herein whether of fact or of opinion. All the Directors accept responsibility accordingly. Application has been made to the Council of The Stock Exchange for the Shares of each class of the Company available to be allotted to be admitted to the Official List. Copies of this Prospectus and of the documents specified herein have been delivered for registration to the Registrar of Companies in England.

Old Court Currency Fund Limited

A company registered with limited liability in the Cayman Islands on 22nd March, 1984 under the provisions of the Companies Law Cap. 22 of the Cayman Islands as amended and having an authorised share capital of U.S.\$500,100

The Company's Manager is N. M. Rothschild Asset Management (C.I.) Limited (the "Manager"),

a wholly owned subsidiary of

N. M. Rothschild & Sons Limited

Initial Offer for Subscription

of up to 50,000,000 Participating Redeemable Preference Shares of

U.S. 1 cent each ("Shares") of the following classes and at the following prices

payable in full on application.

Classes of Shares and price per Share

Australian Dollar Shares	A \$15	Japanese Yen Shares	¥ 3,500
Belgian Franc Shares (Financial)	Fin. B. Fr. 800	Singapore Dollar Shares	S\$30
Canadian Dollar Shares	Can. \$20	Sterling Shares	£10
Danish Krone Shares	D. Kr. 150	Swiss Franc Shares	Sw. Fr. 30
Deutschmark Shares	DM. 40	United States Dollar Shares	U.S.\$15
Dutch Guilder Shares	Fls. 50		
French Franc Shares	F. Fr. 100		
Hong Kong Dollar Shares	H. K. \$100		
Italian Lira Shares	Lit. 25,000		

The distribution of this Prospectus and the offering of Shares may be restricted in certain jurisdictions, persons into whose possession this Prospectus comes are required by Old Court Currency Fund Limited ("Company") and N. M. Rothschild Asset Management (C.I.) Limited (the "Manager") to inform themselves of and observe any such restrictions. This Prospectus does not constitute an offer or solicitation in any jurisdiction in which such offer is not authorised or to any person to whom it is not intended to be made. In particular, this Prospectus does not constitute and shall not be construed as an invitation to the public of the Cayman Islands to subscribe for Shares. No person has been authorised to give any information or to make any representations, other than those contained in this Prospectus, in connection with the offering of Shares and, if given or made, such information or representations must not be relied on as having been authorised by the Company or by the Manager. Neither the delivery of this Prospectus nor the allotment or issue of Shares shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date hereof. The consent of the Directors and Finance Committee of the States of Guernsey under the Control of Borrowing (Bailiwick of Guernsey) (Ordinance 1959 to 1976) has been obtained for the issue of up to 50,000,000 Unrestricted Shares of U.S. 1 cent each either as Nominal Shares or as Shares in the Company. It must be distinctly understood that in giving this consent the Committee takes no responsibility for the financial soundness of any schemes or for the correctness of any of the statements made or opinions expressed with regard to them.

Shares may not be acquired or held beneficially by any person resident for tax purposes in Guernsey, Alderney or Heron.

The Shares have not been registered under the United States Securities Act of 1933 and, except in a transaction which does not violate such Act, may not be directly or indirectly offered or sold in the United States of America (including the territories, possessions and areas subject to its jurisdiction) or to or for the benefit of a United States person. For this purpose, a United States person includes a national or resident of the United States of America, a partnership organized or existing in any state, territory or possession of the United States of America, a corporation organized under the laws of the United States of America or of any state, territory or possession thereof, or any estate or trust, other than an estate or trust the income of which from sources outside the United States of America is not effectively connected with the conduct of a trade or business within the United States of America. It is not included in gross income for the purposes of computing United States federal income tax. The offering of United States persons is directed to the paragraph headed "Restrictions on Holdings" set out below and the compulsory redemption powers of the Company mentioned therein.

This Prospectus does not constitute an offer of Shares for subscription at any time after 30th April, 1984.

Copies of this Prospectus, subsequent Prospectuses and Application Forms may be obtained from the Company, c/o N. M. Rothschild Asset Management (C.I.) Limited, P.O. Box 242, St. Julian's Court, St. Peter Port, Guernsey, Channel Islands. Telephone: Guernsey (0481) 26741 & 2631. Telex: 4191673 & 4191507.

DIRECTORS

Leopold de Rothschild (Chairman),
New Court, St. Swithin's Lane, London EC4P4DU, Executive
Director of N. M. Rothschild & Sons Limited, London.

Trevor Ash

St. Julian's Court, St. Peter Port, Guernsey, Channel Islands,
Manager of N. M. Rothschild & Sons (C.I.) Limited
and a Director of N. M. Rothschild Asset Management (C.I.) Limited,
Guernsey, Channel Islands.

Graham Barker

New Court, St. Swithin's Lane, London EC4P4DU, Executive
Director of N. M. Rothschild & Sons Limited, London and a Director
of N. M. Rothschild Asset Management (C.I.) Limited,
Guernsey, Channel Islands.

Henry Broughton

Ingleisle, Croute Havilland, St. Peter Port, Guernsey,
Channel Islands, Former Chairman of The Investment Trust of
Guernsey Limited and former Senior Partner of Black, Geoghegan & T.H.
Chartered Accountants.

St. Julian's Court, St. Peter Port, Guernsey, Channel Islands,
Assistant Director of N. M. Rothschild & Sons Limited, London and
Executive Director of N. M. Rothschild & Sons (C.I.) Limited,
Guernsey, Channel Islands.

New Court, St. Swithin's Lane, London EC4P4DU, Executive
Director of N. M. Rothschild & Sons Limited, London.

The Emeralds, Longue Rue, Vale, Guernsey, Channel Islands,
Advocate of the Royal Court of Guernsey, and a Consultant to and
former Senior Partner of Ozzanne, van Leuven & Perrot, Advocates.

St. Julian's Court, St. Peter Port, Guernsey, Channel Islands,
Managing Director of N. M. Rothschild & Sons (C.I.) Limited and a
Director of N. M. Rothschild Asset Management (C.I.) Limited,
Guernsey, Channel Islands.

St. Julian's Court, St. Peter Port, Guernsey, Channel Islands,
Vice-Chairman of N. M. Rothschild & Sons (C.I.) Limited and a
Director of N. M. Rothschild Asset Management (C.I.) Limited,
Guernsey, Channel Islands.

REGISTERED OFFICE

P.O. Box 309, Grand Cayman, British West Indies.

MANAGER, REGISTRAR & SECRETARY
N. M. Rothschild Asset Management (C.I.) Limited,
P.O. Box 242, St. Julian's Court, St. Peter Port, Guernsey,
Channel Islands.

Telephone: Guernsey (0481) 26741 & 2631
Telex: 4191673 & 4191507

BANKERS & CUSTODIAN
N. M. Rothschild & Sons (C.I.) Limited,
P.O. Box 38, St. Julian's Court, St. Peter Port, Guernsey,
Channel Islands.

AUDITORS
Peat, Marwick, Mitchell & Co., Chartered Accountants,
10 Lefebvre Street, St. Peter Port, Guernsey,
Channel Islands.

STOCKBROKERS

de Zoete & Bevan,
25 Finsbury Circus, London EC2M 7EE, England

LEGAL ADVISERS TO THE COMPANY
In the Cayman Islands: Moxley & Calder, Attorneys-at-Law,
P.O. Box 309, Grand Cayman, British West Indies.

In England: Linklaters & Paines,
Barrington House, 59-67 Gresham Street,
London EC2V 7JA, England.

In Guernsey: Ozzanne, van Leuven & Perrot,
P.O. Box 186, 1 Le Marchant Street, St. Peter Port, Guernsey,
Channel Islands.

LEGAL ADVISERS TO THE MANAGER
Ashurst, Morris, Crisp & Co.,
Broadgate House, 7 Eldon Street, London EC2M 7HD, England.

FINANCIAL OPERATIONS

ALLOTMENT OF SHARES

The initial subscription lists will open at 9.00 a.m. in Guernsey on 30th April, 1984 and will close at 10.00 a.m. on that day. Settlement will be due on or before 2nd May, 1984, and provided that settlement has been effected, allotments will be made on that day.

After the initial offer, application for Shares of each class may be made on any Dealing Day.

Application may be made either by telefax or on the application form at the end of this Prospectus. Payment may be made in any of the currencies (except Japanese yen) listed below. Full details of the application and payment procedure are set out below. Shares will be issued in registered form.

INVESTMENT POLICY

The Company's investments ("Investments") in each Currency Fund will consist principally of deposits. In certain circumstances these may be supplemented by bonds, notes and money-market instruments if a more attractive return is available from these investments. No investments will be made which mature in more than twelve months. The normal policy will be to hold most investments until maturity.

A minimum of 20 per cent. of the value of the Investments in each Currency Fund will normally be available at seven days' notice or less to the extent that the percentage is reduced by redemptions and conversions, when the maturity will be to reinvest the liquidity margin as soon as circumstances permit. This policy is intended to provide sufficient funds to enable redemptions and conversions to be effected without the premature realisation of investments.

A conservative credit assessment policy will be pursued. Specific limits will be established for each bank and institution with which the Company invests. Such limits are designed to ensure that there is a prudent spread of risk in each Currency Fund, except that this policy will not require the Company to make any investment which is less than the equivalent of U.S.\$1.5m. Investments will only be made with banks and institutions of the highest standing.

For each Currency Fund the Company will make Investments payable in the currency in which the Shares of that class are designated. However, in any such Currency Fund the Company may purchase Investments payable in another currency provided that a forward currency sale of the principal amount of the investment, plus the expected interest to maturity, is undertaken. In this way the Company may take advantage of opportunities to maximise the return for a particular currency while pursuing the principle that there should be no currency risk within each Currency Fund.

DIVIDEND POLICY

It is intended that the whole of the net income of the Company, after deduction of expenses, attributable to each class of Shares will be distributed.

Distributions will be made by way of half-yearly dividends payable on 30th June and 31st December in each year, commencing on 31st December, 1984. Shareholders may elect to receive their dividends in any of the currencies listed below.

Shareholders may also elect to have their dividends automatically reinvested in further Shares on the Dealing Day next following the date on which the relevant dividend will be payable by completing the appropriate section on the Application Form. Shares allotted on account of the reinvestment of dividends will be registered in the name of the Shareholder and a Share Certificate for such new Shares will be sent to the Shareholder at no risk normally within two weeks of the appropriate Dealing Day.

THE MANAGER

N. M. Rothschild Asset Management (C.I.) Limited has been appointed to manage the Investments of each Currency Fund, to undertake the Company's administration and to act as Registrar and Secretary under a Management Agreement, particulars of which are set out below.

N. M. Rothschild Asset Management (C.I.) Limited, which is a wholly-owned subsidiary of N. M. Rothschild & Sons Limited, London, acts as the manager of substantial unit trusts and other similar funds in Guernsey.

CURRENCY FUNDS

The assets and liabilities and income and expenditure allocated to each class of Share will be applied to the Currency Fund relating to that particular class of Share. The Manager will normally allocate the liabilities of the Company to the Currency Fund to which they relate or, if they do not relate to any particular Currency Fund, between all the Currency Funds pro rata to their net asset value. However, there may be exceptional circumstances in which the Manager with the approval of the Auditors will be obliged to allocate them in a different way - for example if the assets of a particular Currency Fund are inadequate to meet its liabilities. Certain powers are also given to the Liquidator in this regard in the event of the Company being wound up.

PRICES, SETTLEMENT AND VALUATIONS

After the initial offer, the prices at which Shares of each class will be provisionally allotted and redeemed will be calculated on each Dealing Day. The day on which settlement is due ("Settlement Day") will normally be two business days after the relevant Dealing Day. The price on each Dealing Day will be calculated by reference to the projected value of the net assets of the relevant Currency Fund as at the Settlement Day on the basis of information available on the Dealing Day. There will normally be a single price for the allotment and redemption of Shares of each class.

As the normal policy will be to hold most investments until maturity, the investments comprised within each Currency Fund will be valued on a straight line basis, i.e. the total return achieved by holding each investment to maturity will be calculated and the appropriate portion will be added to its value day by day.

However, the Manager in its discretion, subject to the approval of the Auditors, reserves the right to value the Investments of any Currency Fund on a different basis, should this be considered more equitable. For example, in the event of a major change in interest rates or in the event of a likely capital loss, the valuation basis of the Investments affected might be adjusted to reflect their market values. The full valuation provisions are contained in the Company's Articles of Association which are available for public inspection and copies of which are available on request.

In the event of the relevant foreign exchange or banking markets being closed, the Settlement Day and the issue and redemption prices for Shares where payment is to be tendered in a currency other than that in which the Shares are designated, will differ from those applicable where payment is to be made in the same currency.

Further information on pricing is contained in section 1 of General Information set out below.

JAPANESE YEN CLASS OF SHARES

In order to comply with Japanese Ministry of Finance requirements the subscription and redemption monies of the Japanese Yen Class of Shares cannot be paid in yen but must be paid in any of the currencies listed below chosen by the investor. The Investments held in the Japanese Yen Currency Fund will, however, at all times be maintained in or by reference to yen.

CHARGES AND FEES

There is no charge for buying, selling or converting Shares. The Manager will receive for its services out of the respective Currency Funds an aggregate monthly fee of 1/4 per cent. of the value of the net assets of each Currency Fund as computed for calculating Shares prices. This fee cannot be increased without the agreement of Shareholders in General Meeting. The Manager's out of pocket expenses in relation to its services to the Company will also be borne out of the Currency Funds.

PRINCIPAL FEATURES

STRUCTURE

Old Court Currency Fund Limited is an open-ended investment company registered in the Cayman Islands and managed in Guernsey.

OBJECTIVE

The Company's objective is to provide a wholesale rate of return for liquid funds in a currency chosen by the investor with the opportunity to convert at any time between currencies at inter-bank rates of foreign exchange.

CLASSES OF SHARES AND CURRENCIES

There are fourteen different classes of Shares: one for each of the fourteen currencies listed below under "Correspondent Banks". A separate fund ("Currency Fund") will be maintained for each class of Shares. Each Currency Fund will have a portfolio of assets related to its respective currency. Thus there will be no currency risk within each Currency Fund; however, on investing in a currency other than the Shareholder's own currency, the investment will be subject to the movement of foreign exchange rates.

INVESTMENT POLICY

Within a conservative approach to credit assessment, the Company's policy will be to invest in deposits maturing in not more than twelve months.

ALLOTMENT AND REDEMPTION OF SHARES

Shares may be applied for on any business day in Guernsey ("Dealing Day") and may be redeemed on any Dealing Day subject to seven days' notice. Settlement will take place in accordance with euromarket practice, which is normally two business days later.

CONVERSION OF SHARES

Shareholders can elect to convert from one class to another. Usually this can be done immediately by a telephone call to the Manager in Guernsey who can quote the rates for conversion.

SHARE PRICES AND VALUATIONS

There will be a single price for the allotment and redemption of Shares of each class which is calculated by reference to the value of the net assets of the relative Currency Fund.

INCOME

The income accruing to each class of Share will be paid as a dividend on 30th June and 31st December in each year, commencing on 31st December, 1984. Shareholders may elect to have their dividends automatically reinvested in further Shares.

CHARGES

There is no initial sales charge. The Manager will charge a fee of 1/4 per cent. per month on the net asset value of the Company.

TAXATION

It is the aim of the Company not to incur any tax on its income. It is expected that the Company will qualify as a "distributor" in respect of the new regulations being introduced by the United Kingdom Inland Revenue, in which case UK investors will normally have their gains on disposal arising from their own currency transactions taxed as capital gains. Their income will be taxed as such.

CURRENCY ADVICE AND MANAGEMENT

Arrangements can be made for the provision of a discretionary currency selection service based on investment in the Company's Shares for investors with a minimum of £100,000. Further information can be obtained from the Manager.

SAVINGS PLAN

A Savings Plan will be operated for investors who would like to make regular investments in the Company.

REDEMPTION OF SHARES

Shares of each class may be redeemed on any Dealing Day by giving not less than seven days' notice by telefax or in writing specifying the number and class of Shares to be redeemed and giving payment instructions for the redemption proceeds. Notice received on any day which is not a business day in Guernsey, will be deemed to have been received on the next business day. Payment of the redemption proceeds may be made in any of the currencies (except Japanese yen) listed below, either by transfer to the Shareholder's bank account or by cheque posted to the Shareholder at his registered address. The Share Certificate (with the redemption request on the reverse duly completed) must be received by the Company in Guernsey by the Dealing Day prior to the relevant Dealing Day.

The price at which Shares are redeemed will be the price calculated for the Dealing Day except as detailed in the fifth paragraph of section 1 of General Information set out below. Payment instructions for the redemption proceeds to be paid on the Settlement Day will be given by the Company to its bankers in Guernsey or the appropriate cheque will be posted to the Shareholder at his risk. If the Share Certificate is not received before the intended Dealing Day, the Shares will not be redeemed until it is so received in which event the redemption price will be the price ruling for the first Dealing Day after it has been received and settlement will take place accordingly.

All Shares of each class not previously redeemed will be redeemed by the Company on 31st December, 2004, or if that is not a Dealing Day, on the next following Dealing Day, at the respective redemption prices on such day for settlement on the relative Settlement Day.

CONVERSION BETWEEN CLASSES OF SHARES

Shareholders may convert all or part of their holding of any one class of Shares into Shares of another class or classes by giving notice of their requirements on any Dealing Day. The Company will endeavour to make the necessary arrangements for the foreign exchange transaction in respect of a conversion as soon as practicable after receipt of the notice. The conversion of one class of Share into another will actually take place on a subsequent Dealing Day. The old Share Certificate should also be returned to the Company with the conversion request on the reverse duly completed.

Conversion will take place at a rate calculated by reference to the values of the Shares. If the classes concerned in accordance with the formula set out below. No charges will be levied by the Company on conversion.

The new Share Certificate will not be posted to the Shareholder until the old Share Certificate, with the conversion request duly completed, has been received by the Company, but the conversion will not be delayed as a result.

The right to convert is dependent on the Company having sufficient available share capital to implement the conversion. The Manager will endeavour to procure that the available capital is at a level where this will normally be possible.

Further information is contained in section 2 of General Information set out below.

CERTIFICATES

Certificates representing the Shares listed will normally be despatched within two weeks of the appropriate Settlement Day at the risk of the persons entitled thereto.

CUSTODIAN SERVICES

Arrangements have been made for N. M. Rothschild & Sons (C.I.) Limited to act as Custodian for investors who hold the delivery of Share Certificates to and from Guernsey investment. Shares can be held in the name of Old Court Limited (N. M. Rothschild & Sons (C.I.) Limited's nominee company) and held in a company for the account of the beneficial owner. The fees for this service are £25 per customer per annum plus £15 for each application for redemption and £10 for each conversion. Investors who are interested in this service should tick the appropriate box on the Application Form.

SAVINGS PLAN

A Savings Plan will be available to provide a convenient method of making regular investments in the Company by bank's standing order. Investors will be able to choose the frequency of investment, up to a maximum of £500 (or its foreign currency equivalent) per payment. Investors who are interested in this service should tick the appropriate box on the Application Form.

PUBLICATION OF PRICES

Prices of Shares of each class will be published daily in the Financial Times and will also be available from the Manager. The prices published will be those applicable to the currency in which the Shares are designated.

FOREIGN EXCHANGE TRANSACTIONS

Where payments in respect of allotments or redemptions of Shares are to be tendered in a currency other than that in which the Shares concerned are designated, the necessary foreign exchange transactions will be arranged by the Company, normally with N. M. Rothschild & Sons (C.I.) Limited, on behalf of and for the account of the Applicant or Shareholder without responsibility as respects the Company.

COMMISSIONS

The Manager may at its discretion pay commission to investors' agents, without recourse to the Company. Such commissions will be calculated at 1/4 per cent. per month of the month-end value of the Shares subscribed through the agent in question. Commission will be paid in one of the currencies listed below chosen by the agent concerned.

TAXATION - (a) THE COMPANY

The Company is registered in the Cayman Islands and has applied for, and can be expected to obtain, an undertaking from the Cayman Islands authorities that, for a period of twenty years, no law which is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Company.

Registration and stamp duty fees in the Cayman Islands on the registration of the Company amounted to the equivalent of U.S.\$1,076. The annual filing fee payable each year by the Company in the Cayman Islands is currently the equivalent of U.S.\$570.

It is the intention of the Directors that the control and management of the Company will be exercised, so far as practicable, in such a way that it will not be resident in the United Kingdom. In any event it is expected that the Company would not be deemed to be a close company if it were so resident.

It is not expected that the Company will incur any tax or be liable to pay any statutory fees in Guernsey other than to a nominal extent.

Having regard to the manner in which it conducts its operations, the Directors consider that the Company should not, in normal circumstances, incur any taxes in the countries in whose currencies the Shares of the Company are designated.

TAXATION - (b) SHAREHOLDERS

Shareholders will not be subject to any tax in the Cayman Islands or Guernsey in respect of any gains owned by them.

Clearance has been obtained from the Board of Inland Revenue of the United Kingdom ("the Revenue") under Section 464 of the Income and Corporation Taxes Act 1970 that the provisions of Section 560 of that Act (concerning tax advantages from certain transactions in securities) will not apply.

For United Kingdom tax purposes it is expected that the Company will fall within the definition of "offshore and overseas fund" for the purposes of certain legislation proposed to be enacted in 1984. If the Company does not distribute its income in full, this would cause United Kingdom taxpayers to suffer tax on gains arising on disposals at the rates applicable to income. Since the Company proposes to distribute its income in full and to comply with the other requirements in order to obtain "distributor" status under the proposed legislation, the Directors expect that gains arising on disposals of Shares will continue to be subject to tax under the capital gains tax regime. Details of the proposed method of operation of the Company have been submitted to the Revenue. On the information supplied, including the assurance that all income of the Company will be properly distributed, and subject to the legislation being enacted in the form presently envisaged the Revenue confirmed on 13th March, 1984 that they see no reason in principle why the Company should have difficulty in obtaining "distributor" status.

The Revenue has also stated that, each time a Shareholder redeems or converts his holding from one class of Shares to another, the element in the value of his holding on the redemption or conversion which represents gains accrued since the last distribution date (or since acquisition, if later) will be taxed as income.

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ORDINARY SHARES

Advertising takes on star status

Bill Seward and Mark Sheppard

Company	Historic year end	Price	Historic P/E	Forecast P/E
Saatchi	Sep '83	700	28.0	21.2
AGB	Apr '83	347	27.1	23.5
AIBCOM	Oct '83	114	60.1	23.8
Fitch & Co.	Dec '83	295	29.2	22.6
Michael Peters	June '83	170	45.9	36.0
WCRS	Apr '83	420	32.1	23.5
BMP	Dec '83	485	29.8	21.1
Gibbs Gross	Dec '83	126	29.3	19.3
KLPD	Sep '83	268	39.4	26.8

earnings per share of 33 per cent over the last five years.

Moreover, there does appear to be some evidence that the traditional domination of the United Kingdom advertising market by subsidiaries of US multinationals is being weakened, with the emergence of a number of rapidly growing domestic-owned British businesses. Two of these have already sought a stock market quotation, while one step further down the line, Saatchi & Saatchi has emerged as the fastest growing agency in the world and is currently capitalised at about £200m.

To give some idea of how this corporate success has been received by the stock market, the combined United Kingdom market capitalisation of the advertising agencies has risen from £10.7m in 1979 to £254m today.

As far as the stock market is concerned, the tremendous relative share price strength that the sector has achieved has boosted the aggregate p/e skywards - in fact the aggregate historic profits from the sector were less than £24m last year, implying an aggregate historic p/e of well into the 30s.

This high rating - nearly three times the average for industry as a whole - clearly anticipates further substantial growth, and we feel that this will be forthcoming. Given only modest growth likely in the economy as a whole, manufacturers will continue to be forced to raise their marketing budgets in real terms, as increases in their product's market share

This healthy demand background has led to a surge in profits and revenue in the sector as a whole - for instance Saatchi & Saatchi has reported an annual rate of growth in

will continue to be a major determinant of their own overall growth rates. On this basis, most marketing companies should be able to show real growth without gaining market share - a from which follows that the best companies should achieve even better results.

Moreover, the general trend towards cultural convergence among nations - which may be spurred on by the growth in satellite broadcasting - may generate new opportunities for advertising agencies through the development of "global branding". Global branding signifies the marketing of one brand, in a similar way, across a number of countries.

The advantages to manufacturers of this approach include the greater economies of scale that can be achieved in production and marketing; those agencies with widespread geographical representation stand to gain most from this trend through their ability to conceive and execute major campaigns for multinational clients. This trend is already being exemplified in Saatchi's work for British Airways and Procter & Gamble, advertising in 41 and 21 countries respectively.

A final flipside to the sector has been the recently announced change in the corporation tax structure. Historically, most advertising and marketing companies have suffered a very full tax charge, reflecting their virtual lack of capital allowances and stock relief. The progressive reduction of these allowances, in conjunction with a decline in the basic rate of corporation tax, is a very real benefit to earnings - and cash flow.

In fact, at Saatchi's recent annual meeting, it was stated that earnings per share would be enhanced by some 14 per cent under the new system. Such benefits are likely to be even greater for the wholly British based companies.

Overall, advertising and marketing services have emerged as one of the real growth sectors of the economy. Most of the companies within the sector have strong growth records and have come through the recession relatively unscathed, while future prospects look excellent as marketing expenditure continues to assume an increasingly large element of business expenditure, and new avenues of growth emerge. Finally, the recent tax changes will effectively enhance the sector's earnings.

Bill Seward is a research partner and Mark Sheppard is an analyst at Phillips & Drew

THE GILT-EDGED MARKET

What new tax change means

Martin Jaskel and Geoffrey Dennis

HOW THE YIELDS DIFFER

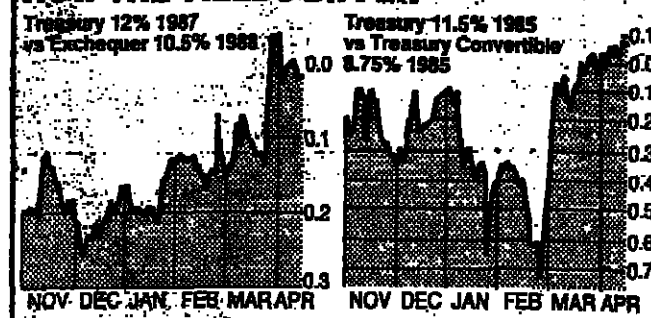


TABLE A: GROSS YIELDS ON REPRESENTATIVE GOVERNMENT STOCKS

	February 21, 1984	April 13, 1984
STOCKS	Gross Redemption Yield	Gross Redemption Yield
HIGH COUPON		
Treasury 12% 1987	10.823	9.214
INDIVIDUAL COUPON		
Treasury 8 1/2% 1988	10.746	10.910
LOW COUPON		
Exchequer 2 1/2% 1987	7.861	12.059
	15.558	8.848
	13.696	17.738

* Capital Gains Tax of zero.
** Assumed average Corporation Tax over the next three years.
*** Highest tax rate for individuals.

TABLE B: HOLDINGS OF SHORT-DATED (UNDER 5 YEARS) GOVERNMENT STOCKS

	£m	% of Total
Individuals & private trusts	3,293	13.5
Industrial & commercial companies	13,652	16.2
Insurance companies: long term funds	1,181	4.9
Total net funds	8,337	34.6
Building Societies	6,818	27.4
Sub total	14,955	62.0
Total market holdings	24,115	
Total short-term debt	27,835	

† Including a residual which largely relates to the 'net' funds category.
‡ End-December 1982 market value plus the nominal value of acquisitions in the first quarter of 1983.

structure on the yield differentials between the various types of short-dated stock is further and clearly illustrated in Table A.

An alternative way to consider the impact of this decision is to look at the breakdown by holder of short-dated government stock. Table B shows the holdings of such stock of the remaining net funds alongside those of the building societies and total market holdings of short-dated stock.

The likely impact on the short-dated gilt market of the new taxation arrangements for building societies is predictable. With the share of short-dated stock held by the net funds cut instantly from 62 per cent to around one-third of the total (using data for the end of March, 1983), there is likely to be a considerable impact on the types of short-dated stock issued by the authorities. The fundamental correction of relative yields as the demand for high coupon stock rose relative to that for low coupon stock, occurred quickly as expected. Given that the societies will

themselves now aim for the high coupon stock, the resumption of a more normal yield pattern requires the authorities to reduce the share of low-medium coupon short-dated stock to around one-third of the total.

At present, there is £33.32 billion of short-dated stock outstanding, of which it may be estimated around £4.2 billion is in official holdings (up from £3.5 billion at the end of March, 1983). Of the outstanding short-dated stock, over £7.1 billion carries a coupon of up to 8 per cent (of which £6.1 billion is below 4 per cent with a further £1.6 billion comprising two Treasury stocks, between 5 and 9 per cent).

The total value of all these stocks amounts to nearly one-third of the short-dated market

such that it corresponds broadly to the share held by the net funds. The appropriate conclusion is that, in the current market, short-dated stocks with coupons of up to or just over 9 per cent are likely to be held on at a net basis, with stock carrying coupons above this level being gross.

For the future - and considering the outlook for other net funds - the Inland Revenue's decision is unlikely to lead to a similar change in the taxation arrangements on the gilt-edged profits of life insurance offices. Although the life companies have generally turned over their gilt-edged portfolios as rapidly, if not more so, than the societies, this practice was not the reason for the Revenue's decision. More important was the desire to achieve equity of treatment between building societies and banks in this respect. Moreover, any change in the treatment of life offices would be likely to lead to a substantial fall in the long-dated market and severely impair the funding ability of the Government Broker.

There is likely to be little effect from the Inland Revenue's decision as such on the gilt-edged holdings of the corporate sector. However, the expected effect of the Budget measures on corporation tax and initial capital allowances in advancing capital investment spending from 1985-6 into the final months of the current financial year is likely to reduce the amount of available liquidity that companies will place in the gilt-edged market, even though companies are more liquid at this stage of the economic cycle than ever before.

Overall, given the adjustment in the yield structure between low coupon and other short-dated stock that has already occurred, it is likely the low coupon market will shrink even more in the future. Clearly, the change in taxation arrangements relating to building societies is likely to precipitate some big changes in funding techniques and, although the Government Broker issued two small low coupon, short-dated stocks on Friday afternoon, there are unlikely to be as many new issues of this sort in the future.

This is a remarkable conclusion to a period during which the authorities have issued a number of low coupon stocks specifically aimed at building society portfolios, given their previous status as net funds.

Martin Jaskel is gilt-edged partner and Geoffrey Dennis is senior economist at W. Greenwell & Co.

COMPANY NEWS IN BRIEF

● HAMPTON GOLD MINING: Directors of Hampton Australia have announced that the public issue of 9,705,890 ordinary shares closed immediately fully subscribed.

The shares were offered at 75 cents and the issue raised A \$7.3m.

● BAILIE CUFFORD JAPAN TRUST: Results for half year to February 29. Gross investment income £166,485 (£87,945). EPS 0.2p (0.11p). Asset value per ordinary share 246.9p (192.8p) and diluted asset value per ordinary share 234.3p (184.4p).

● BRG INC CANADA: First quarter. Figures in C\$000: Net sales 25,830 (25,500). Pretax income 1,432 (371). post tax income 980 (254). EPS 25 cents (7 cents).

● BRITISH RAYPHONE: No dividend (same) for 1983. Turnover £55.58m (£61.11m). Pretax profit £1.72m (loss of £1.55m last time). Company is a subsidiary of UCB (Investments).

● TOPS ESTATES: Group proposes to acquire Shintip, which recently purchased at auction, Saxon House, Crawley, West Sussex, a modern freehold office property. Shintip also owns a freehold shop in London's Hatten Garden. These two properties produce annual rents of £39,000 and have been valued at £467,000. Proposed consideration will be 385,000 ordinary shares (at 70p each) and £185,000-worth of own stock.

Base Lending Rates

ABN Bank	8 1/2%
Barclays	8 1/2%
BCCI	8 1/2%
Citibank Savings	9 1/2%
Consolidated Cds	8 1/2%
Continental Trust	8 1/2%
C. Hoare & Co.	8 1/2%
Lloyds Bank	8 1/2%
Midland Bank	8 1/2%
Nat Westminster	8 1/2%
TSB	8 1/2%
Williams & Glyn's	8 1/2%

† Mortgage Bankers.

1986 fixed as Industry Year

By Derek Harris

New links between schools and colleges and industrial companies are expected to be a feature of Industry Year 1986, an initiative to increase awareness of the role in industry.

The scheme, which is backed by among others, the Government, the Confederation of British Industry and the TUC, is directed by Sir Geoffrey Chandler, former director general of the National Economic Development Office.

Sir Geoffrey said the nomination of 1986 as Industry Year is intended as a challenge to a society which is insufficiently aware that almost everything we do depends on industrial activity and which show little appreciation of such activity.

The project has been initiated by the Royal Society of Arts, Manufactures and Commerce. With £100,000 backing, Sir Geoffrey will aim mainly at prompting other organizations to carry through initiatives, employing the slogan "Thanks to Industry."

DIVIDEND INCREASED 19%

PROFITS UP 35%

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James G. Longcroft
Chairman

Tricentrol

Plantation & General Investments PLC

(Incorporated in England under the Companies Act 1948 to 1976 No. 1339132)

SHARE CAPITAL

Authorised £	1,400,000	Issued and fully paid £	898,703.50
		Ordinary shares of 25p each	

Introduction arranged by SHEPPARDS and CHASE

Application has been made to the Council of The Stock Exchange for the whole of the issued share capital of the Company to be admitted to the Official List by way of an introduction. Particulars of the Company are available in the statistical services of Extel Statistical Services and copies of such particulars may be obtained from the address below during usual business hours on any weekday (Saturdays excepted) for fourteen days from the publication of this advertisement.

Sheppards and Chase,
Clements House,
Gresham Street,
London EC2V 7AU.

APPOINTMENTS

New Argyll Group director

Argyll Group: Mr C. D. Smith, group financial controller and company secretary, has become a director. He will also join the boards of Argyll Foods and Amalgamated Distilled Products.

J. H. Minet and Co. Mr Bryan Hayes is appointed chairman. Mr Jack Gore as deputy chairman and managing director.

National Westminster Bank: Mr Colin Flannery has been named deputy regional director of the south-east region in succession to Mr Peter Tyley, who retires at the end of this year. Mr Flannery is currently a director of Lombard North Central.

Electrical Wholesalers Federation: Mr Michael Gledson, a director of Newey & Eyre, has been elected president.

Saab (Great Britain): Mr Charles Skogsborg has been appointed managing director.

Graville Venture Capital: Mr David Steeds has become chief executive and Mr Ernest Bachrach has joined the board.

Espley Trust: Mr M. C. Hudson, a director of Espley Tyas Overseas and president of American Property Group, has been appointed a director.

W. J. Noble and Son: Mr G. C. Bullen has been made executive sales director.

Dearden Farrow: Mr Raymond Whitaker succeeds Mr Patrick Townsend as senior partner. Mr Townsend has retired. Other partners also retiring are Mr Harry Cordell from the London office; Mr John Gilliat from the Manchester office and Mr Harry Robinson from the Croydon office.

Foxford: Mr J. E. Sheehan has become a director.

USM REVIEW

French Connection buys half of US distributor

Earlier this year, Mr Stephen Marks, chairman of the fashion house French Connection, decided to take up yoga in order to flex the odd sagging muscle. Last week he also decided to stretch the financial muscle of French Connection with the acquisition of a 50 per cent stake in the group's sole US distributor Best of All Clothes Inc for around \$3m.

The deal went almost unnoticed in the market, at first, but is likely to have an immediate and almost sensational impact on profits in the present year. In terms of profits, Best of All Clothes is a much larger company than French Connection, although it relies almost entirely on French Connection products. For the year to June, BAC is forecasting pretax profits of \$6m (£4.2m), but this figure is thought to be conservative and the group could be capable of nearer \$8m for French Connection's year to January 1985.

By contrast, French Connection last week reported pretax profits up from \$303,000 to \$3,27m - almost \$500,000 above the original forecast made when the group joined the USM in October.

The stockbroker Griesevon Grant, which bought French Connection to market, is also excited by the deal. Griesevon's retail analyst, Mr Tom Wyatt, estimates French Connection is making profits of \$4m this year, giving earnings a share of 16.5p. If BAC manages to chip in with a further \$8m it could result in French Connection's profits soaring from \$3.27m to somewhere approaching \$10m with sales in the US totalling nearly \$30m



Stephen Marks: stretching his company's financial muscle.

placing price of 123p and should soon be nudging the 400p level. They closed at a high of 335p on Friday.

Meanwhile, the list of newcomers applying for a listing on the USM continues to grow. Last week, three more companies revealed details of planned flotations. The broker Capel-Cure-Myers is bringing the first retail franchise group to market in the form of the Body Shop. Capel will be placing just over 1 million shares, or 20.4 per cent of the total, at 95p a share, valuing the entire group at \$4.75m. Body Shop sells naturally-based beauty products in reusable packs. The first shop was opened in 1976 in Brighton and there are now nearly 100 shops.

In the year to November 1982, pretax profits grew from \$42,000 to \$114,000 and by last year that figure had increased to \$275,000 on turnover of £2.6m. The group is forecasting pretax profits of \$390,000 for the present year. The idea appears to have been well received in this country and now the board is looking to Europe and Canada to improve growth.

Corrosion is a big problem for oil exploration companies and has provided a handy niche for Ramco Oil Service, which provides specialist corrosion protection services. The brokers Rowe & Pitman and Gries Middleton are placing 2.9 million shares, nearly 20 per cent of the equity, in the market at 70p. This capitalizes Ramco at \$10.9m.

Dealings in Ramco are expected to start.

Michael Clark

OLYMPIC GAMES

Russians out of Olympic tennis

The Soviet Union have been left out of the demonstration tennis tournament at this year's Olympic Games in Los Angeles because they missed the deadline for applications. The International Tennis Federation (ITF) president, Philippe Chatrier, said yesterday.

Mr Chatrier said national federations had to send nominations of players by April 1. The Soviet Union yesterday requested a further two-week extension but the ITF decided they could not change their timetable.

Soviet's Mats Wilander and Stefan Edberg and the American Jimmy Arias will compete in the demonstration event. Andrei Javner, of the United States, leads the women's line-up.

Soviet participation in the Games as a whole was called into question last week when they demanded an emergency meeting of the International Olympic Committee to discuss alleged American violations of the Olympic charter. This will be held on April 24.

In New York, Peter Ueberroth, President of the Los Angeles Organizing Committee, said the United States would not "kow-tow" to the Soviet Union. He said: "They've got so much to lose by not being here, so much to gain by being here, and they're not dumb."

Poland have joined Soviet bloc criticism of preparations for Los Angeles. The Polish Olympic Committee said the political atmosphere shaped around the Olympics by reactionary, cold-war and anti-communist circles in the United States poses the most serious problem. They are asked to expel the Olympics for their reactionary and anti-peace goals.

ATHLETICS

Miss Budd: a metronomic sense of pace judgment



Miss Budd: a metronomic sense of pace judgment

IOC likely to stand in Miss Budd's way

A more appropriate accompaniment might have been "Alone Again, Naturally". "There was never the faintest chance that any of the same women would be able to compete in the trials at Crystal Palace on June 6. Her time of 50m 02.6sec at Dartford, a British junior record and Olympic qualifying time, is thought by the local club's athletes to be worth around 50m 02.6sec. "We deduct two seconds per lap from our times here to give us what we would expect at Crystal Palace," one Dartford Harrier said. Only Wendy Sly and Jane Farnais among Britishers are capable of performance.

Even with a microphone Miss Budd was inaudible, except to say she was unbeaten since 1981 and had wanted a time of nine minutes. She was the only worthwhile information to emerge from a press gathering which resembled the mobbing of Mick Jagger on returning to this town of his upbringing came from Peter Labouchere who announced she would not run another 3,000 metres race before the trial. "Her next race will be a 1,500 metres," he said.

● Rotterdam, (AFP) - Gidamas Shabane, a Tanzanian, won the fourth International Rotterdam Marathon here on Saturday in 2hr 11min 12sec. Another Tanzanian, Zakariah Barie, was second in 2hr 11min 47sec, ahead of Martti Valio of Finland and a third Tanzanian, Agapius Masomo.

● Steve Cram, the world 1,500 metres champion, was beaten into fourth place in the 7,000 metres by Niall McLeod at Jarrow on Saturday.

Boston Marathon preview page 24

GYMNASTICS

Medal gives a boost to Morris's status

By Peter Aykroyd

For the first time, Britain won the two silver medals at the annual Daily Mirror Champions All tournament at Wembley on Saturday. Andrew Morris, the reigning national champion, came second in the men's competition and Lisa Young, the seasoned international, emulated this success in the women's section. Amanda Harrison, the third British representative, came a commendable fourth.

Only 1.2 of a metre over the eight men. In the early stage, the lead was held by Alexander Atanas, a promising young discovery from the Ukraine. Morris took over after the vault, but he in turn had to relinquish the leading position to Borislav Houtov, of Bulgaria.

It took the last piece, the horizontal bar, to sort out the field and Atanas, relying on consistency more than flair, came through first, only .05 ahead of Morris, who strengthened his status as Britain's best male performer for two decades.

Miss Young, who was standing in for the indisposed British champion, Haley Price, showed considerable determination against formidable rivals such as Boriana Stoyanova, of Bulgaria, the world's No 4, and Bettina Schieffeder, a member of the East German Olympic squad. Indeed, Miss Young's performance improved during the afternoon and she finished with a triumphant floor exercise of 9.60.

Miss Stoyanova's style and expertise tested to the full by Miss Schieffeder, but an unsuccessful floor exercise by the East German girl took her out of the medals and presented gold to the Bulgarian. Miss Young came second, a diminutive 12-year-old American, who must have a bright international future.

WEEK 1: A. Agnès (RUS), 56.40pts; 2. A. Morris (GB), 56.40pts; 3. A. Harrison (GB), 56.40pts; 4. A. Young (GB), 56.40pts; 5. A. Stoyanova (BUL), 56.40pts; 6. A. Schieffeder (GER), 56.40pts; 7. A. Morris (GB), 56.40pts; 8. A. Young (GB), 56.40pts; 9. A. Stoyanova (BUL), 56.40pts; 10. A. Schieffeder (GER), 56.40pts.

IN BRIEF

US dominant in first Test

The United States won the first Test match at Swindon with some ease. They were far quicker from the gate, taking the lead in half two and making sure of victory with one last remaining. Denis Sigalos dropped a point in his opening ride but was unbeaten thereafter, scoring 17 points for the United States.

TEAS: England 20, United States 15. Leading individual scores: England: C. Morris 13, D. Sigalos 12, C. Carter 10; United States: J. Filloil 12, J. Filloil 10, J. Filloil 10.

TENNIS: Jaime Filloil, Chile's most successful player of recent years, has gone bankrupt with debts of \$1.5m (just over £1m). Filloil, aged 38, the captain of Chile's Davis Cup team, said successive devaluations of the peso against the dollar had made him unable to repay building loans.

WATER POLO: The last five teams for the "Los Angeles" Olympics tournament will be decided by the 13-country qualifying competition to be held in the Olympic pool at the Foro Italico in Rome from April 13-22.

London and Manchester Group plc

Extracts from the statement by the Chairman, Mr H L K Brown, F.C.A., on the Group Report and Accounts for 1983

1983 was a year of significant progress for the Group. New business increased at a rate greater than that experienced for some years and plans for the development of the Group's structure and the rationalisation of the senior executive functions were implemented. I am therefore able to sound a note of optimism for the future in spite of Budget changes to which I refer later in my statement, although it has to be recognised that the Group's recent achievements could be largely negated if there were a return to the high rates of inflation and financial instability which have marked much of the last decade.

On behalf of your Board I would like to express appreciation of the hard work and dedication of management and staff which has so effectively contributed to the Group's recent progress.

Board

In July 1983 I was very pleased to welcome Mr Hugh Jenkins and Mr Jeremy Leigh Pemberton as non-executive directors. With their appointment I feel that the Group has gained invaluable experience. Mr Jenkins being the senior investment executive of one of the country's leading pension funds and Mr Leigh Pemberton having an outstanding record in a high quality manufacturing company of international status.

Profit and Loss Account and Dividend

Income has been received by transfers of £3,266,000 from the life funds of London and Manchester Assurance and £650,000 from the investment trust retirement annuity fund. In addition investment income increased from £1,056,000 to £1,157,000.

After setting off the general branch loss of £245,000 and the expenses of management and taxation there remains a balance of £4,683,000 which has enabled your Board to recommend a final dividend of 11.48p per share (1982 9.31p). This, together with the interim dividend of 4.97p per share paid in November 1983, makes a total of 16.45p per share (1982 13.65p). After providing for these dividends the balance carried forward has been increased by £911,000.

The Insurance Market

An important feature in the insurance market in 1983 was the introduction of a new system for tax relief on mortgage interest (MIRAS) which enhanced the attraction of life policies as a means of repayment. The new business figures for the industry as a whole benefited from this change and I am pleased to say that the performance of both the home service and life broker divisions in this respect compares well with that of the Group's competitors.

Shareholders will be aware of the proposals to regulate commission payments under the Registry of life assurance commissions (ROLAC). Whilst your Board believes in a responsible approach to the levels of commissions paid to intermediaries, it takes the view that such commissions are only part of the total acquisition costs and that therefore a life policy should either be free to pay commissions having regard to volume of business and the service given by intermediaries, or that total acquisition costs should be controlled.

Home Service Division

The home service division remains the major profit centre within the Group. The industrial branch sector has made progress both in the growth of new business and in the control of the quality of that business. The result has been an overall increase in premium income well in excess of the current rate of inflation. The ordinary branch experienced a quite outstanding year, largely as a result of MIRAS.

Life Broker Division

Both annual and single premium business showed strong growth in 1983 in this relatively new division. Linked annual premium business was 119 per cent in excess of 1982 levels, whilst with the benefits of MIRAS conventional business increased by 152 per cent over the comparative figure. Single premium policies continued to attract attention, new business being more than twice that of the previous year.

The results of this division also comfortably exceeded those of 1982. In the important area of group pensions, new business moved against market trends with annual premiums 58 per cent higher than the preceding year and single premiums up by 36 per cent. The Combine Plan, a unique group pension plan designed to offer the benefits of a final salary scheme with the early leave advantages of money purchase, and Transplan, another major product innovation for the job mover, both performed well.

1983 also saw the successful launch of a Managed Funds contract marketed by the new insurance company within the Group, London and Manchester (Managed Funds) Limited and, with this, the foundation now exists for expansion in this important sector of the employee benefit market.

General Branch

An attractive new motor policy and more flexible means of premium payment were introduced during the year. Gross premium income rose by 10 per cent, but claims, with a marked increase in the provision for theft, continued to reflect the generally poor experience of the industry as a whole.

Bearing in mind the benefits to the home service division of having general branch policies to market alongside the life business, your Board considers that the loss of £245,000 is not unreasonable, although every effort will continue to be made to improve the position.

Investments

Throughout the world there have been signs that the long-awaited economic recovery has at last started. As so often before, this move has been led by the United States where the strength of the upturn during the first half of 1983 surprised most economic commentators. Because of the improved business prospects stock markets everywhere were buoyant.

For a UK investor, the strong performance of overseas markets was reinforced by the weakness of sterling whilst the domestic equity market also continued to move ahead. Full advantage of these movements was taken with a net investment by the main life funds of £16.9m in UK equities, and £5m in overseas equities. Fixed interest markets

The Annual General Meeting will be held on 4 May 1984. Copies of the Report, which includes the full text of the Chairman's Statement may be obtained from the Joint Secretary at Imperial House, Dominions Street, London EC2M 2SP.

Law Report April 16 1984

Judge can raise issue of insanity

Regina v. Dickie

Before Lord Justice Watkins, Mr Justice Park and Mr Justice Butler-Sloss

[Judgment delivered April 10]

The Court of Appeal, considering whether a jury was entitled to return a verdict of "not guilty by reason of insanity" at a trial in which insanity was not suggested by the prosecution or raised as a defence on behalf of the accused, held that it was not possible to say that there were no circumstances in which a judge might not, of his own volition, raise an issue of insanity and leave it to the jury. The occasions when a judge should seek to do that would, however, be exceptional.

The court allowed an appeal by Andrew Plummer Dickie against the verdict of "not guilty by reason of insanity" returned by a jury on November 16, 1983, at the Crown Court, London, in the trial of Dickie for the murder of a woman, Mrs. Margaret Ann Dickie, in 1978.

Mr David Farrington, assigned by the Registrar of Criminal Appeals, for the appellant, Mr Christopher Morris for the Crown.

LORD JUSTICE WATKINS, giving the judgment of the court, said that the appellant, now 74 years of age, was a bachelor, a man of good and respectable character. He lived in a basement flat.

One Sunday in December a neighbour found the body of his black smoke. She called firemen, who went through the basement window and found the appellant sitting in the smoke-filled room, apparently unconscious.

Rubbish was burning in a plastic wastepaper basket; the basket and carpet were burning and the floorboards underneath were scorched.

The appellant said that he had lit the fire himself to get rid of some rubbish. Later, when he was charged, he told the police that he had been in complete control of what he was doing.

Before the trial started the defence served, upon the prosecution a medical report which indicated that the appellant's general medical practitioner had been treating him for some years for a condition known as hypomania (a condition of abnormality).

That was in order to give an early indication that "medical evidence" would be called to demonstrate that at the relevant time because of this medical condition the appellant was not then sane, and therefore the appellant did not know what he was doing, was wrong and therefore he could not be said that he was reckless or intended to cause any kind of damage.

The doctor gave evidence, and was cross-examined by counsel for the prosecution, who challenged the condition of hypomania. The judge himself, after some evidence, asked the jury whether hypomania was a disease of the mind and if so, whether it could cause the mind to malfunction to such an extent that the appellant was not sane.

The judge then indicated to counsel that he was not intended to leave it to the jury to decide whether it would be appropriate, having regard to the medical evidence, to return a verdict of "not guilty by reason of insanity".

Both counsel submitted to the judge that in the circumstances it was wholly inappropriate for him to do that.

Counsel for the appellant submitted that there were no instances in which either a judge or the prosecution were entitled to raise that issue; it was a matter exclusively in the domain of the defence.

The court had been referred to a long list of cases which counsel for the appellant submitted assisted him in establishing that there was no precedent for what the judge did in this case. He also referred to some, though, despite the authority of counsel, the raising of that issue and, at least, to the jury.

By reference to the M'Naghten Rules counsel asserted that what Parliament intended was that the jury, and not the judge, was to decide whether there was a "presumption of sanity" which could only be challenged by the defence.

Their Lordships had come to the conclusion that they were unable to say that there were no circumstances in which a judge might not, of his own volition, raise an issue of insanity and leave it to a jury to decide. It was not, in their view, a matter exclusively in the domain of the defence. It was a matter which went to the heart of the issue of insanity, and it was a matter which the judge was entitled to raise.

If a judge embarked upon such a course he would need to be careful to ensure that he was not the judge in the jury, but counsel for the prosecution and defence had been given ample opportunity to do so.

It followed that whatever the defendant's intention might have been he was not in breach of his duty to the company as at July 24 and the termination agreement was not vitiated. Accordingly, the appeal should be dismissed.

However, the judge had allowed the company to recover £435 in respect of salary paid to the defendant after the termination agreement, and the defendant cross appealed against that.

No doubt the defendant's failure to account to the company for the cash from Mrs Kingsbury was a serious breach of his contract of service with the company. Had the company become aware of it they would have been entitled to terminate his contract there and then, but that had not happened and the defendant had continued to serve and receive his salary up to October 31.

His Lordship could see no basis on which that salary could be recovered and would allow the cross appeal.

LORD JUSTICE FOX agreed and Lord Justice Lawton delivered a concurring judgment.

Solicitors: Rochman Landau & Co. Haye & Reid, Wokingham.

No penalty for intention without action

Horcal Ltd v. Gattland

Before Lord Justice Lawton, Lord Justice Fox and Lord Justice Robert Goff

[Judgment delivered April 11]

An agreement for a "golden handshake" made between a company and its managing director was not avoided where at the time of the agreement the director had formed an intention to deprive the company of the profits of a contract but he had not then done anything to implement that intention.

The Court of Appeal so held in dismissing an appeal by the plaintiff company, Horcal Ltd, from the decision by Mr Justice Goffwick (The Times, May 4, 1983) in which he had awarded the defendant, Mr Morris Gattland, on termination of his contract of service as a director of the company.

The court allowed a cross appeal by the defendant against an order by the judge requiring him to repay £435 salary paid to him by the company on October 31, 1978.

Mr Robert Gattland was the managing director of the company, Mr Stephen Powles for the defendant.

keep the proceeds of the contract for himself.

He later accepted the money for himself and ensured that no copies of the quotation or receipts were among the company's documents.

It was a consequence of the company's argument that the defendant as a director of the company was under a duty to disclose any breach of duty on his part before the termination agreement of July 1978 could be entered into.

In his Lordship's judgment, it was not necessary to decide whether that was correct, since the judge had found that no breach of duty had been committed by the defendant before the termination agreement was made which he would have had to disclose were there such a duty of disclosure on him.

The defendant had formed an intention to take as his own the cash payment when received from Mrs Kingsbury but there was no finding of fact that he had done anything by July 24 to implement that intention and there was no finding that at that date he had "intended" anything to conceal the contract.

It followed that whatever the

remaining of the 85-mile-long
Alton Towers, an admission which
made him the temporary net
leader.

For the third day running, Doyle
and his team were forced into a
long, hard chase to reach the yellow
jersey-clad Webster, who left the
group to follow Doyle later in the day.

Martin, ironically, was described
as a probable stage hand for the
amateur. Darryl Webster, aged 21,
on Saturday, Webster proved
that not only for even today
horizons. He made repeated gains
before escaping from the Doyle
Elliott group on the dramatic
climb of Froggase Edge and quickly
bridged the gap to the five-strong
chaser group. He then paced the
riders through to the finish, leaving
a demoralized Martin crying
Sheffield.

Understandably, Webster had
nothing for the uphill finishing
springs, which was taken over by
Phil Thomas, the British pro-
fessional champion.

RESULTS
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3. Elliott 17.25m 4. P Thomas 17.25m
5. Schure 18.00m 6. P Thomas 18.00m
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
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Summaries by Peter Dear and Peter Davalle

Basia on The LA

10.30 Jazz Today: Stan Tracey Quintet.
11.15 News. Until 11.-18.
VHF only: Open University, 6.35-
6.55am; and 11.40pm to 12.00.

Radio 2

News on the hour. Major Bulletins:
7.00am, 8.00, 1.00pm, 5.00 and 12.00
midnight. News Headlines: 5.30 am,
5.55, 5.57, 5.59, 8.30 (MP/WV).
6.00am: 1.50 The News. 6.00am-11.55
1.55 Pulse for Thought? 7.00 Moore and
Hamilton find 8.31 Radio Buffy. 8.45
Pulse for Thought? 9.00am: 1.50
12.00 Steve Jones finds 1.00 Sport.
1.00 Don Durbridge with guest AJ.
Martino find 2.02 3.02 Sport. 3.50
Pulse for Thought? 4.00am: 1.50
find 4.02 5.05 Sport. 6.00 John Dunn
find 6.02 Sport. 6.45 Sport and
commentary. 7.00am: 1.50 Alan
Bard and Dance Band 7.00am: 1.50
Band 8.00 Humphrey Lyttelton with
the Beat of Jazz. 8.55 Sports Desk.
9.00am: 1.50 The News. 9.00am: 1.50
with Nick Jackson and soundtrack
presenting. 11.00 Brian Matthew presents
11.00am: 1.50 The News. 11.00am: 1.50
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Nightlife 1.30-4.00 Folk on 2?

Radio 1

News on the half-hour from 6.30 am
until 9.30 pm and at 12.00 midnight.
MP/WV.

6.30am Adrian Johns. 7.00 Mike Reid.
10.00 Simon Bates. 11.30 Gary Davies.
Including 12.00 Newsbeat. 2.00 Steve
Wright. 4.30 Peter Powell. Including 5.30
News. 6.00am: 1.50 The News. 6.00am:
12.00 John Peel 1 VHF Radio. 8.00
1.00am With Radio 2. 10.00pm With
Radio 1. 12.00-4.00 With Radio 2.

WORLD SERVICE

6.00am Newsflash. 6.30 Baker's Half Dozen.
7.00 World News. 7.05 Twenty-four Hours.
7.30 Sarah and Company. 8.00 World News.
8.05 The News. 8.10 The News. 8.15
News. 8.00 World News. 8.00 Review of
the British Press. 9.15 Wavegates. 9.25 Good
Morning Britain. 9.30 The News. 9.35
News. 9.40 The News. 9.45 The News. 9.50
11.15 The Future of World. 11.00 World News.
11.05 News About Britain. 11.15 An Ice Cream
and Sandwich Parade. 11.20 The News.
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In two parts, tonight and tomorrow, a passionate rivalry that brought Richard Thomas, Michael Timothy Dalton, Finola Welch and Brian Blessed head-to-head. Dramatised from the story

**THE MA
BALLA**

SEE EPISODE ONE

**ANOTHER EXCEPTIONAL
DRAMA FROM**

ITV screen a Stevenson classic!



In two parts, tonight and tomorrow Tuesday, April 17. A tale of passionate rivalry that brought tragedy to a noble house. Richard Thomas, Michael York, John Gielgud, Timothy Dalton, Finola Hughes, Nickolas Grace and Brian Blessed head the outstanding cast. Dramatised from the story by Robert Louis Stevenson.

THE MASTER OF BALLANTRAE

SEE EPISODE ONE TONIGHT AT 9 P.M.

ANOTHER EXCEPTIONAL
HIT



FA may act on invasion at Highbury

The tenth FA Cup semi-final at Highbury on Saturday could be the last there. Thousands of supporters invaded the pitch, which is unprotected by high terrace fencing, after Everton's late winning goal and again when the match finished (Clive White writes). There were 75 arrests. Above left: one of the violent clashes; centre: an injured woman is carried away; and a policeman confronts a supporter on the ground.

Arthur McMullen, the FA vice-chairman, who was present, said there would be an FA inquiry into the incident by early June at the latest. "We will have to ask if police were in sufficient numbers," he said.

"We cannot and would not instruct Arsenal to erect fences. That is for them to decide. But we cannot consider whether Highbury should be allowed a future semi-final if there are no fences," he added.

Ken Friar, the Arsenal secretary, said: "No one said anything about fences last week. I expect no comeback."

Match report, page 24.

Troops may be used, says coal chief

Continued from page 1

There was a change of government. But a long strike would increase the danger of pits being closed as seams and roadways collapsed under increasing geological strain.

The board is hoping for an increase in the number of men reporting for work today, after an appeal from Mr MacGregor to the men to defy their union.

However, union officials claim to detect a shift in favour of industrial action in the coalfields still working normally. About 10,000 of the 33,000 pitmen in Nottinghamshire are said to be refusing to cross picket lines.

Mr Heathfield accused the board of "false optimism", and said: "The chairman's encouragement to miners to ignore their union and go to work will almost certainly inflame the situation."

The twice-weekly meeting of the ad hoc Cabinet sub-committee dealing with the consequences of the dispute, which meets again today, continue to take stock, with no sign of a break in the Government's arm's-length approach to the dispute.

It was said last night that it

would be unwise to read anything of significance into the apology delivered to the Cabinet by Mr Norman Tebbit, Secretary of State for Trade and Industry, on April 5, for an off-the-cuff hint that mines might be denationalised.

Some reports yesterday said that Mr Tebbit had seriously embarrassed Mr Peter Walker, Secretary of State for Energy, that he had been forced to retract before Cabinet and that he had impaired his eventual leadership chances. Impartial sources said last night that the reports were exaggerated on all three counts.

Mr Tebbit had indeed told Cabinet that, on reflection and having seen press reports, he felt his remark had been silly, and colleagues had accepted that without fuss.

While dismissing press priorities on the so-called "strike cabinet" and the "Tebbit apology", high-level sources emphasize that coal industry plans involve no element of compulsory redundancy for any miner. People affected by pit closures could transfer to other, more viable pits, or opt for generous redundancy or early retirement terms.

US blow for Nato frigate

Continued from page 1

support division which had fathered the project, called it a "remarkable event in cooperation."

The American qualifications to the MOU have now made it impossible to sign. "Heads they win, tails we lose", is how a European official described them, adding that they undercut the underlying basis of proportionate sharing of costs, risks and benefits.

The American action was in contrast to its statements which had recently castigated the Europeans for their failure to do more for international cooperation, he said.

European officials added that it put a big question mark over the proposed collaboration on high technology projects which was supposed to become the basis for Nato standardisation and increased industrial activity.

The European armaments directors will meet in Bonn this week to prepare a new document, excluding the US, so the project can proceed. Later American participation will be left open and would be welcomed by the Europeans.

Israel may stage reprisals in Syria

Continued from page 1

Military experts noted yesterday that as the July general election draws closer, the pressure on the Government to adopt a firmer policy of retaliation will increase as ministers attempt to restore their credibility in the light of their unfulfilled boast that the Lebanon war had neutralized the military capability of the PLO.

Syria was specifically pinpointed in a strongly worded complaint sent to the UN Security Council, after the bus attack, by Mr Yehuda Blum, Israel's representative. He said "It will be noted that Damascus has now become the regional centre of international terrorism."

Diplomatic observers were quick to point out that a similar phrase was used by many senior Israelis to describe the status of Beirut in the months before the invasion of Lebanon on June 6, 1982, and the subsequent siege of the city's western sector.

Yesterday, Israel radio emphasized that the Cabinet, whose debate on the bus incident was said to be classified information which could be published, has made clear to

Syria that it will not tolerate a war of attrition for the continuation of "terrorist incidents" inspired from Damascus.

In a weekend interview, Mr Arens said in effect that attacks against PLO positions on Syrian territory would continue. "Our attack with artillery several weeks ago against these targets is a clear sign of what can be expected in the future," he stated.

The inevitability of Israeli retaliation has dominated private conversation here after the hijacking, with some citizens voicing concern at the possibility of such moves against Syria turning into a full-scale conflict.

While observers expect Israel's main revenge for the bus hijacking to take place outside its territory under its control, at 8 am last Friday the first concrete act of retaliation was taken when the homes of the families of the four dead hijackers in the Gaza Strip were blown up, leaving many of their Palestinian relatives homeless.

Although the attackers lived in Gaza, outside influence on their mission was detected because of the detailed list of prisoners which they produced

Letter from New York

Taxpayers' yearly moments of truth

Around midnight tonight there will be dreadful scenes in this city.

At Manhattan's main post office thousands of people will congregate in one of the most extraordinary of American spectacles. They will not be light-hearted. They will be anxious, frantic, shamefaced, sniffling, resentful and scowling.

The stroke of midnight will trigger a mad race to get the forms into the extra collection boxes the post office, in its mercy, makes available for this amazing late show.

They will form a long and nervous queue to get the forms into the extra collection boxes the post office, in its mercy, makes available for this amazing late show.

At midnight, Mr Samuel Klein, an official of the New York Post Office, will endure his annual moment of opprobrium. For it is he who will study his watch and signal the franking clerks to change their date stamps from the 16th to the 17th.

"I know exactly what will happen because it happens every year," Mr Klein said philosophically. "When I say it is midnight people will come up to me and shout. They will point to their watches which will show 20 minutes to midnight and they will berate me. It is a very tense moment. I can tell you."

"I've seen people come in at 11.45pm and start filling out the form. People have a variety of reasons for leaving it until the last minute. There's laziness, of course, and there is a desire and a need to hang on to money for as long as possible. There is also a contrariness, a dislike of

paying taxes which makes the last-minute scramble almost a form of protest."

Ten days ago it was estimated that 37-million Americans had not sent their tax form to the Internal Revenue Service. Over the weekend, Sunday included, tax advice offices and some bank branches have stayed open to help procrastinators.

During the past week newspapers and magazines have been full of advice for last-minute takers of the ten-form, and, on television, the Alka Seltzer Company has been promoting its fizzy pills as the answer to tax-line headaches.

Millions of Americans go to professional tax form preparation experts because the ten-form is very complicated, a standing contradiction of the idea of American efficiency. Tax form assistance for baffled citizens has grown into a considerable industry.

Many people, economists, politicians and tax law specialists think the system is a loophole-riddled mess. The tax bureaucracy is waging war on evaders who are reluctant to cost the government £71bn a year. Meanwhile, the citizens fight back by taking advantage of the well-advertised tax shelters.

The maze-like nature of the tax form is thought to be one reason why more people are filing their returns late this year.

Among leading procrastinators named at the end of last week were Mr Walter Mondale and Mr Gary Hart, who have had other things on their minds.

The Rev Jesse Jackson, however, had filed - and so had President Reagan. Indeed the president's tax form was published at the weekend. It revealed an income of £301,000 including £1,000 in fees from old television shows.

Mr and Mrs Reagan say on their form that they have overpaid taxes and they are asking Uncle Sam for a refund of £35,000.

Mr Reagan filled in his form a week ago. Tonight many thousands of his fellow Americans will be sweating it out to beat the midnight deadline, wishing they had been more organized - but knowing that next year, same time, same place, they will be part of the same, feared scramble.

Trevor Fishlock

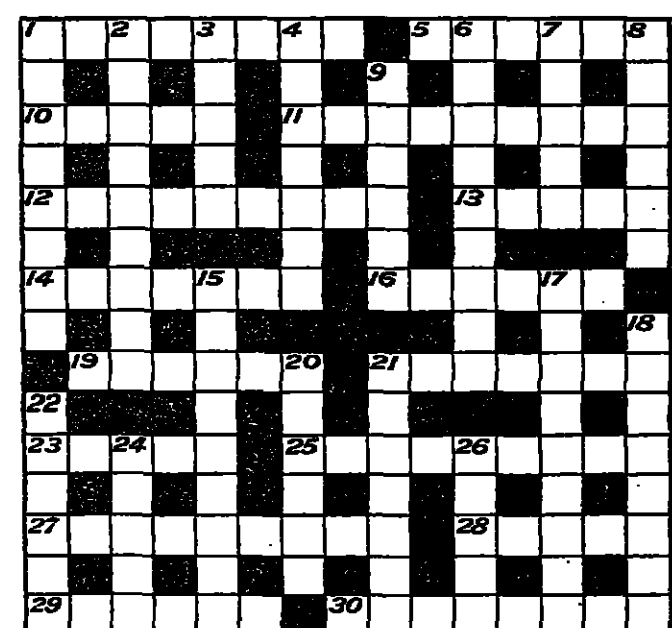
THE TIMES INFORMATION SERVICE

Today's events

Royal engagements
The Princess of Wales, Patron, the National Children's Orchestra, attends a rehearsal at Wellington College, Berkshire, 10.30.
Princess Anne attends the London Friends of St. Loye's College, Berkshire, in aid of the College at the Mansion House, London, 7.20.

New exhibitions
Paintwork and Quilting in Scotland, 1700 to 1984, City Art Centre, Edinburgh, 10.30.

The Times Crossword Puzzle No 16,406



ACROSS

- Reverse of impressed in QC's pedestrian way (8).
- Old tanner's bed canopy (6).
- Graciously war-sung, it provokes unwanted heat (5).
- Block, or delay - nothing fresh in that (9).
- Secret cavalry gets a man of unknown skill (4,5).
- Kind of bone sword seen in the wigwag (5).
- Hero's return in the spring causes change of disposition (7).
- A steel contrivance for a prickly head (6).
- To send mad, getting drunk (6).
- Wentworth's attraction for a butterfly (7).
- Banquo asked if they'd done so on the insane root (5).
- Mr X - briefly a prolific poet (9).
- Put in new prints, E & O (9).
- About twice nothing for this source of drink (5).
- I'm in the cart, by the sound of it - somehow it's not real (6).
- Sit, with legs apart, right back in the seat (8).

DOWN

- The fish has undercut the fruit (8).
- Many on the island believe in shame (9).
- Great city church girl (5).

2 Market Street, Edinburgh: Mon to Sat 10 to 5, closed Sun (ends May 19).

Paintings by Caroline McNairn, 369 High Street, Edinburgh: Mon to Sat 12 to 5.30, closed Sun (ends May 5).

Northern Pottery '84 - a selected exhibition of work by members of the Northern Pottery Association, York City Art Gallery, Exhibition Square, York: Mon to Sat 10 to 5, Sun 2.30 to 5 (ends May 20).

Martin Luther, 1483-1983, Hamilton District Museum, 129 Muir Street, Hamilton, Strathclyde: Mon to Sat 10 to 5, closed Sun (ends May 13).

Textiles and Sculpture - at Helios Pictures, 2a Salisbury Road, Moseley, Birmingham: Mon to Sat 9.30 to 6, closed Sun (ends May 10).

New work by two young British sculptors, Andy Frost and Vincent Woropay, Kettle's Yard Gallery, Northampton: Sat 10 to 5.30, Sun 2 to 5.30 (ends May 20).

Paintings and collage by Claudine Brown, Hereford City Museum, Broad Street, Hereford: Tues to Fri 10 to 5, Thurs 10 to 5.30, Sat 10 to 4, closed Sun and Mon (ends May 5).

Image - the third of three exhibitions sponsored by the Arts Council: Calligraphy '84 - recent work from the Society of Scribes and Illuminators, both exhibitions at the Museum and Art Gallery, Le Mans Crescent, Bolton: Mon to Fri 9.30 to 5.30, Sat 10 to 5, closed Weds and Sun (both ends May 19).

Meterside Guild of Pottery - at the Atkinson Art Gallery, Lord Street, Southport: Mon to Fri 10 to 5, Thurs and Sat 10 to 1, closed Sun (ends May 12).

Music
Organ recital by Bertram Powell, Birmingham and Midland Institute, Margaret Street, Birmingham, 1.

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National Day

Today Denmark celebrates its National Day, marking the birthday of Queen Margrethe II, who was born in 1940 and succeeded to the throne in January, 1972.

Bond winners

Winning numbers in the weekly draw for Premium Bond prizes, announced on Saturday, are: £100,000: 1884 56488 (the winner lives in the borough of Barnet); £50,000: 1161 58841 (Essex); £25,000: 13XP 614326 (Devon).

VAT concessions

HM Customs and Excise have published a new VAT leaflet (700/13/84) which lists extra-statutory concessions involving VAT that are available for general use. The new leaflet is a basic guide for traders and their professional advisers and gives a brief summary of each concession and where full information about it can be obtained. Local VAT offices will supply copies of the new leaflet upon request.

Social security

People seeking general advice about social security benefits can now obtain it from specially trained DHESS staff by dialling 100 and asking for Freephone DHESS. The service is available throughout Britain, except in the London postal area.

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Roads

London and South-east: A214: Only one lane and temporary lights at Ryecroft Road, junction with Crown Lane, Streatham, A249: Contraflow on southbound carriageway at Dettling Hill, Kent, slow-moving vehicles prohibited, use of the waterway light dipping light, Surrey, also, at times, Bracknell bound.

Wales and West: A438: Major resurfacing from Elmbury County Secondary School to Oldfield, Tewkesbury, Gloucestershire, temporary lights, A55: Twenty-four hour temporary signals on Chester to Colwyn Bay road, M4: Lane closures for bridge inspection and repairs between junction 21 and junction 22 across Severn Bridge. Both carriageways affected, also peak overnight closures, speed restrictions at weekends.

Midlands: A38: All traffic sharing southbound carriageway between Watcote island (A61 junction) at Alfreton and the motorway (M1) junction 21, junction 22 near Matlock, Derbyshire. M5: Contraflow between junction 3 (Birmingham) and junction 4 (Bromsgrove), Birmingham, A6: Contraflow on Derby-Leicester road at Hatfield.

North: M6: Reconstruction work on northbound carriageway between junction 41 and 44, A61: Road improvements; some switching of traffic lanes and delays in Snow Hill area of Wakefield, A1: Erecting safety barriers between Mickfield and Wetherby, W Yorks.

Scotland: A82: Periodic halting of traffic for blasting 2 miles S of Ardull, Dumfriesshire; subsidence one and a half mile S of Ardull; one lane temporary lights at both. One lane traffic with lights at Piersley Bridge, N of Mungos Road, Aberdeen, A57: One lane only in each direction and turning restrictions to and from Whitesands, at Buoloch St Bridge, Dumfriesshire.

The pound

	Bank	Bank
	Buy	Sell
Australia \$	1.63	1.55
Austria Sch	27.69	26.98
Belgium Fr	81.75	77.75
Canada \$	1.49	1.42
Denmark Kr	14.30	13.66
Finland Mk	8.34	7.94
France Fr	11.88	11.38
Germany DM	3.87	3.69
Greece Dr	155.08	145.08
Hongkong \$	11.55	10.95
Ireland	1.27	1.21
Italy Lira	2390.00	2295.00
Japan Yen	335.00	319.00
Netherlands Gld	4.39	4.17
Norway Kr	11.31	10.73
Portugal Esc	195.00	185.00
Spain Ptas	216.00	205.00
Sweden Kr	11.64	11.06
Switzerland Fr	3.23	3.06
USA \$	1.48	1.43
Yugoslavia Dnr	153.00	173.00

Bank for small denomination bank notes only, as supplied yesterday by Barclays Bank International. Official reference to "treasury" currency and other foreign currencies.

Retail Price Index 345.1.

London: The FT Index closed 64.49 on Friday at 852.2.

New York: The Dow Jones industrial average closed down 7.01 on Friday at 1150.13.

Nature notes

The first common terns are back from tropical seas. In recent years they have extended their British breeding grounds from shingly shores to inland gravel-pits, where they nest on the islands. They patrol the water by light dipping flight, diving and submerging when they see a likely fish. Willow warblers are back among the birches, blackcaps in thicker woods: the males are singing vigorously, and are easy to see when many birds are still here.

Leaf-buds are opening on hornbeam and whitethorn. More blackthorn is in flower: hoveliers and bees gather on the white blossoms. There are 16 British species of bee at present, but it is to be seen include a small black-and-yellow bee with a red tail, and a reddish-brown carder bee that will make a mossy nest like a bird's. Cowslips are opening: they are less common than they used to be, as ancient meadows get ploughed up. The bright blue flowers of german speedwell, or bird's-eye, are growing abundant on the roadside.

Spilley, Lincolnshire, 1786: Ancient struggles through the rough grass in fields and gardens. Adders are shedding their skins and mating; they will soon go down to the marshes by way of hedge-bottom.

DJM

Anniversaries

Births: Sir Hans Slane, physician, a President of the Royal Society and whose collection formed the basis of the British Museum, Killybegs, co Down, 1660; Sir John Franklin, explorer, Spilley, Lincolnshire, 1786; Anne de France, writer, Paris, 1844; Wilbur Wright, aviation pioneer, near Millville, Indiana, 1867; John Willingham Sykes, dramatist, Rathfriland, Dublin, 1871; Edward Frederick Wood, First Earl of Halifax, Vicerey of India 1925-31, Foreign Secretary 1938-40, Powdermill Castle, Devon, 1881; Charlie Chaplin, London, 1889; Dorothy Heary Fensholt, painter, London, 1825; George Louis Buffon, naturalist, Paris, 1788; Francisco de Goya, Bordeaux, 1828; Marie Tussaud, London, 1830; Saint Bernadette of Lourdes, Nevers, France, 1879; Battle of Culloden, 1746.

The week's walks

Today: Legal London, including a visit to the Old Bailey, Inns of Court, Royal Courts of Justice, meet St Paul's Underground, 7.30pm. Embankment Underground, 7.30pm. Medieval Trade Guilds, meet Blackfriars Underground, 11. Theatrical and Literary Covent Garden, meet Holborn Underground, 2. Mystery: Interiors of Hidden London, meet Holborn Underground, 9.50. (Kingsway exit) (Also Wed and Thurs).

Wednesday: The Famous Sherlock Holmes Mystery Tour, meet Baker Street Underground, 7.30pm. Legal and Illegal London - Inns of Court, meet Holborn Underground, 11.

Weather

All areas will be under the influence of a showery, unstable northwest air-stream.

6am to midnight

London, SE, central S England, East Angles, E, W Midlands: Sunny periods, isolated showers; wind NW moderate or fresh; max temp 9 to 10C (48 to 50F).
E, central W, SE England: Sunny intervals, scattered showers, heavy at times; wind NW moderate to fresh; max temp 8 to 10C (46 to 50F).
Wales: Sunny periods, scattered showers, heavy at times; wind NW moderate; max temp 10 to 12C (50 to 54F).
Central Highlands, NE, NW Scotland, Argyll, Orkney, Shetland: Sunny intervals, showers, heavy at times; wind NW fresh to strong; max temp 7 to 9C (45 to 48F).
North Island: Sunny intervals, showers, heavy at times; wind NW fresh to strong; max temp 7 to 9C (45 to 48F).
South Island: Sunny intervals, showers, heavy at times; wind NW fresh to strong; max temp 7 to 9C (45 to 48F).
Outlook for tomorrow and Wednesday: Mostly dry with sunny periods at first but northwestern and later western districts becoming more cloudy with occasional rain or drizzle; temperatures mostly near normal.

SEA PASSAGE: North Sea, Straits of Dover: Wind NW fresh; sea moderate. English Channel (E): St Georges Channel: Wind NW moderate; sea slight. Irish Sea: Wind fresh, locally strong; sea moderate to lively.

Sun rises: 6.03 am
Sun sets: 7.59 pm
Moon rises: 6.38 pm
Moon sets: 9.07 pm

Last Quarter April 23

Lighting-up time
London 8.28 pm to 5.31 am
Belfast 8.28 pm to 5.31 am
Edinburgh 8.28 pm to 5.31 am
Manchester 8.42 pm to 5.56 am
Penzance 8.42 pm to 5.56 am

Yesterday

Temperatures at midday yesterday: A, cloud; B, fair; C, rain; D, sun.
Belfast 15.4C, Glasgow 15.0C, London 15.0C, Manchester 15.0C, Newcastle 15.0C, Norwich 15.0C, Oxford 15.0C, Plymouth 15.0C, Reading 15.0C, Southampton 15.0C, Swansea 15.0C, Tynes 15.0C, Wrexham 15.0C.

Highest and lowest

Yesterday: highest day temp: Marston, 16C (61F). Lowest day temp: Cape Wrath, 6C (43F). Highest night temp: Marston, 11C (52F). Lowest night temp: Cape Wrath, 6C (43F).
Today: highest day temp: Marston, 16C (61F). Lowest day temp: Cape Wrath, 6C (43F). Highest night temp: Marston, 11C (52F). Lowest night temp: Cape Wrath, 6C (43F).

London

Yesterday: Temp: max 16 to 17C (61 to 63F) at 14.00. Min 7 to 8C (45 to 46F) at 04.00. Humidity: 65 to 75%. Wind: 10 to 15 mph. Rain: 0.0 to 0.5 mm. Fog: 0.0 to 0.5 mm. Snow: 0.0 to 0.5 mm. Ice: 0.0 to 0.5 mm. Sun: 0.0 to 0.5 mm. Moon: 0.0 to 0.5 mm. Clouds: 0.0 to 0.5 mm. Visibility: 0.0 to 0.5 km. Pressure: 0.0 to 0.5 hPa. Wind gust: 0.0 to 0.5 mph. Rain gauge: 0.0 to 0.5 mm. Snow gauge: 0.0 to 0.5 mm. Ice gauge: 0.0 to 0.5 mm. Sun gauge: 0.0 to 0.5 mm. Moon gauge: 0.0 to 0.5 mm. Cloud gauge: 0.0 to 0.5 mm. Visibility gauge: 0.0 to 0.5 km. Pressure gauge: 0.0 to 0.5 hPa. Wind gust gauge: 0.0 to 0.5 mph. Rain gauge gauge: 0.0 to 0.5 mm. Snow gauge gauge: 0.0 to 0.5 mm. Ice gauge gauge: 0.0 to 0.5 mm. Sun gauge gauge: 0.0 to 0.5 mm. Moon gauge gauge: 0.0 to 0.5 mm. Cloud gauge gauge: 0.0 to 0.5 mm. Visibility gauge gauge: 0.0 to 0.5 km. Pressure gauge gauge: 0.0 to 0.5 hPa. Wind gust gauge gauge: 0.0 to 0.5 mph.

Around Britain